INFLUENCE OF CASHLESS PAYMENT ON FINANCIAL PERFORMANCE OF PETROLEUM INDUSTRY IN BURUNDI; CASE OF INTERPETROL COMPANY

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DECLARATION AND APPROVAL

This research project is my original work and has not been presented for a degree in any other University.

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This project has been submitted for consideration with my approval as the University Supervisor.

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DEDICATION

This work is dedicated it to my wife Nancy Munyembari and my sons Dany Stephane, Sam Sorel, Jean Alex and Darrell Austin for their unwavering support in the time of writing this project work.

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ABSTRACT

Inauguration of cashless economy transforms the general driving of an economy in transforming the way business is transacted. There are so many gains attained from a cashless economy which include; increase in monetary framework efficiency via simplified transactions, a decrease in rate of crimes since there is no money at hand for stealing, evils such as money laundering and evasion of taxes are simply dealt with because of paper tracing and expenses of dealing with physical money is minimized. This research was to find out the influence of Cashless payments on the performance of petroleum industry in Bujumbura, Burundi. The specific objectives of this study were; To analyze the effect of credit card, transfer on performance of Petroleum industry in Burundi; To establish the effect of direct debit on financial performance of Petroleum industry in Burundi; To investigate the effect of online transfer on financial performance of Petroleum industry in Burundi; To evaluate the effect of mobile payment on financial performance of petroleum industry in Burundi. The study will be significant to for instance, for scholars and academicians, the research enlightens them more about petroleum sector. Additionally, the research will arouse their interest to analyze deeply the issues of strategy and implementation of strategy in petroleum sector. To government since fuel firms are in the list of the among largest tax remitters and thus, the government is interest in their activities and therefore, strategy in this sector is of paramount to the authority. The authority would in addition apply the study results in its application of cashless transport industry as well. The managers in sales and marketing will apply these results and recommendations of the study to enlighten themselves about elements that prohibit their market penetration. The underpinning theories of this Research were; the Diffusion of innovation Theory financial inclusion theory and The Unified Theory of Acceptance and Use of Technology (ATAUT). The research design was descriptive research, and correlation analysis. The population was 126 employees of 15Petroleum Companies in Burundi and then it was narrowed down through stratified sampling design to 96 members of management from Interpetrol petroleum company as the biggest supplier of petroleum in Burundi and user of cashless payments in Burundi. Data was collected using questionnaires which were distributed through drop and pick method. The information analyzed using both descriptive statistics (mean and standard deviation) and inferential statistics (correlation and regression) and it was presented inform of tables. The findings of the study revealed a significantly positive results between cashless payments given that P values were <0.05and 0.01) and the regression model was found fit for the study. One can conclude that cashless form of payments are unavoidable in the current world where new technologies are emerging everyday making businesses and clients adjust to the new changes accordingly. Therefore, the study recommends that management of petroleum firms should embrace the new payment methods since they were seen as reliable and convenience to both business and clients.

TABLE OF CONTENT

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS AND ACRONYMS

ANSI: American National Standard Institute

ATM: Automated Teller Machine

BCG: Boston Consulting Group

BIC : Bank Islam Card

BRB : Banque de la République du Burundi

CEMEA: Central Europe Middle Est and Africa

EPS: E-payments Systems

GCC: Gulf Cooperation Council

GDP: Gross Domestic Product

N: Naira

PoS: Point of Sales

R&D: Research and Development

The CBN: Central Bank of Nigeria

The USA: The United State of America

UAE: United Arab Emirates

UNCTAD: United Nations Conference on Trade and Development

USD: United State Dollar

CHAPTER ONE: INTRODUCTION

1.1 The Background of the Study

Although a broad debate has been going on across the globe on the usefulness of a cashless economy, the idea has been having a share of fault finders. (Cohen, Anna, & Labib, 2020) indicate that cash money is takes a significant role in completing transactions between the informal and formal industries, and that its abolishment can distract the capacity to transact between the two industries, resulting to an improper allocation of fruitful attempts across the economy.

According to (Paul & Friday, 2012)cashless economy doesn't imply total lack of cash payments, but the structure through which cash transactions are minimally used. Cashless transactions allow trading of products and services via electronic means and no-electronic ways like cheques (Tee & Ong , 2016). Payment electronically is hence described as transferring of funds of the electronic worth to payee from payer via digital system (Kim & Lee , 2010). Tsiakis &Sthephanides (2005) states that E-mode of payment copies present transaction framework and establishes modern methods of making transactions. The progressive development is presently seen in e-payment mechanism with contemporary entrants in the market providing improved technologies and advancements representing 750million of transaction mechanisms across the globe (Treasury Alliance Group, 2018).

1.1.1 Global Perspective

(Batiz-Lazo & Del Angel, 2018) explain that the credit cards originated in the USA with the aim of changing consumer habits after 2nd World War. At the beginning, service industry started giving loyalty cards with the alternative of paying later, nevertheless, from 1950 "Dinners Club" started to function as the pioneer credit card firm to implement credit related mechanism for "Travel and Entertainment" aiming at business people (Giessmann, 2018).

(Batiz-Lazo & Angel, 2018) mentioned that the initial attempt of major financial institutions to contend with vendors was unsuccessful because to significant starting and running costs. However, in 1970, when large banks entered the credit card market, the spread encountered substantial growth, increasing from USD 820 million to USD 9B in just 8years. The development is a result of extensive marketing campaigns involving the mass distribution of credit cards through mail, specifically targeting middle-class households. Credit cards have facilitated the transition towards cashless communities, hence shaping future perspectives on community dynamics. Thus, driven by the concept, the acknowledgment of the necessity for regularization was started through the adoption of uniformity in the card design by the American National Standards Institute (ANSI), which established enduring qualityfor features such as format, dimensions, signature placement, and font (Giessmann, 2018).

In Denmark, street entertainers and churches can accept monetary donations via mobile phone transactions. In China, a facial recognition technique called "smile to pay" is utilized for fast food purchases (Bech, Ougaard, Faruqui, & Picillo, 2018). Based on the findings of Boston Consulting Group (2016), the virtual transactions industry will be influenced by four key trends: the ongoing influx of advanced technology, the emergence of new competitors, the demand for improved customer experience, and the implementation of enabling policies. The advancements in mobile phone technology have led to the introduction of mobile transaction services, which are rapidly gaining popularity in developing countries. Specifically, these services have been adopted by 36.5% of the population in Russia, 33.2% in India, 25.8% in

China, and 15.1% in South Africa (Walker & Guevara-Castro, 2018).

The UAE and other Gulf Cooperation Council (GCC) states exerted substantial endeavors to foster online transactions with the aim of augmenting tax collection and income creation.

Simultaneously, they have placed great importance on safety and transparency by diminishing the dependence on cash. The decision was prompted by the decrease in fuel costs in 2015 and the significant results it caused. The legal amendments implementations have led to a significant transformation and diversification of the transaction outlook. Financial leaders and institutions widely agree on the pros of a non-cash economy for enterprises and persons with regard to increased productivity and simplified transactions. The UAE's country transactions plan is to gradually shift to a non-cash economy, while by 2030, Saudi Arabia central bank aims to attain 70% of electronic transactions. These two states implemented initiatives to introduce a Central Bank paperless currency known as "Aber," which is supported by supplied ledger technology. Initially, it will be tested for trans-border transactions by a select group of collaborating banks, and later enlarged for broader usage. However, notwithstanding the collaborative efforts of financial leaders, banking institutions, and the transactions sector to substitute cash with online transactions, cash keeps on to dominating transactions in the GCC region. Srouji (2020)

A study conducted by Genesis Analytics, a prominent economic consulting firm in South Africa, found that in 2018, a rise in delinquent debts from micro-loans led to a shift towards prepaid cards, cash, and mobile money, while people avoided using bank accounts to prevent automatic deductions of outstanding loan amounts from their available balances. In addition to mobile money services, South African Banks have assisted their clients to swiftly transfer funds to each other in the nation using ATM dispensers, without requiring the recipient to have a bank account (Ketley, 2018). This is another example of automation. advancements growing cash in circulation. These shifts show that for several new demands, the link between cash and cashless transactions might not be a nil-sum occurrence. Instead, the cash-founded and cashless economy look like reinforcing

each other, with digital advancements reinforcing cash-in –circulation consequently supporting the automated payments environment.

The idea of cashless economy in Nigeria is to suppress cash payments as much as possible. The Central Bank of Nigeria had set every day collective limits of deposit and withdrawals of N150,000 for individuals and for corporate enterprises at N1,000,000) which was revised to 500,000 Naira and 3million Naira respectively). It is evident that today, there are some sort of cashless payments that are happening in Nigeria. In Nigeria, there are up to seven various e-payment means that are in use today. They include Point of Sales terminals(POS), web, Automated Teller Machines (ATM), kiosks, mobile voice and interbank branch. Electronic transactions in Nigeria have been launched by traditional companies and have been triggered by enhancement in technologies and infrastructure. As explained above, the non-cash economy does not mean total end of cash circulation, in the economy but that of the banking framework operation that maintains cash payments to the barest minimum. The Central Bank of Nigeria (CBN) daily transactions limit were to encourage cashless transactions but not to discourage cash payments (Paul & Friday, 2012). According (Schadorf, 2012) Mobile transfers have also been popular in Kenyan market; thee marketers have partnered with mobile phones dealers to offer clients a higher reliable and simple method of payment. The firms have even gone further in adopting key cards such as master and visa cards for transactions. In as much as oil firms aim at making payments as reliable as possible to clients, they still require to keep their branded fuel cards. These are cards they keep so that they can use them to publicize their brand loyalty via compensation schemes. (William, 2009) postulates that enterprises utilize loyalty cards to recognize and compensate their loyal customers. More particularly, loyalty cards facilitate organizations to gain knowledge and create a better

connection with their clients. When Card holders are rewarded with gains result to this and motivates a desired loyal buyer behavior.

Burundi electronic payment is new concept in the market and as recent as 2020, not many sectors had embraced the cashless payment. Financial Report of Burundi, (2020) reported that in connection to the application of interbank electronic payment structure in Burundi, the bank transferred this feature to new firm BI-SWITCH that, in conjunction with BRB, the commercial banks and the the Régie Nationale des Postes, observed the operation to accomplish the usage of the system of interbank e-payment. The last-mentioned must combine comparability and interbanking of internet, card and mobile phone and internet transactions. The assessments have created notable advancement, recommending that the system will soon be ready for production. In 2021, cashless monetary services were offered by 11 firms, comprising three electronic money transaction firms, five banking institutions, and three microfinance institutions providing services of mobile banking.

The e-money market in Burundi is experiencing substantial growth. The digital financial services distribution network consisted of 2,094 primary agents and 143,857 secondary agents by the end of 2021. Electronic money services developed in terms transactions in 2021 compared to the same period in 2020.

1.1.1 Cashless Payments

Mobile Money

Money is expensive and wastefulness for faster moving consumer good firms. An enterprise should be concerned about safeguarding finances from fraud, collecting fake money and transferring cash. The costs include time of preparation, transport and insurance (Baariu, 2015). Through mobile

money the traders can acquire transactions that provide them with knowledge about their clients that can offer crucial pieces of knowledge into the market. The use of mobile money concept in addition eliminates the need for extra change just as being more safe when handing cash rather than taking care of physical cash. The expense of means of payment is a significant concern to any firm financial performance. Transactions done via mobile cash minimizes the expenses in running petroleum firms in various ways. Cost cutting include minimizing expenses linked to human capital that handles management of money, banking costs reduction, and saving time in banking halls and reducing on the security concerns undertaken to safeguard collected cash (Mutinda, 2014). The utilization of these services bring a component of the efficiency of business which is crucial to the entire efficiency of the business (Gitau, Mukulu,
& Kihoro, 2016).

Credit and Debit Cards

The Mobil Oil, the United State of America card released in 1914 is widely regarded as the credit card inauguration designed to obviate the necessity of moving with physical currency ((Rahman, Ismail, & Bahri, 2020). From the onset of 50s, the use of credit card has been extensively applied in first world nations as a means of transferring funds for payment purposes (Ahmad Razimi et al., 2017). The global popularity of using credit cards to execute online transaction for goods and services has also increased. In Malaysia, a recently introduced card known as the Islamic Credit Card is available. The Bank Islam Card (BIC), which utilized the bay al inah agreement, was initially launched in 2003 by Malysia Islamic Bank (Ahmad Razimi, Shahril, Rahim, Hussain, & Nasri, 2017)). In April 2009, HSBC Amanah introduced the first Islamic credit card called MPower Credit Card-i, which utilized the ujr asa contract (Razimi et al., 2017 and Sakanko & David, 2019). The concept of E-payments systems (EPS) involves the transfer of electronic transaction from the customer to the seller via an internet-based transaction channel. This permits

clients to conveniently acquire and regulate their financial accounts and make payments electronically (Teoh, Chong, Lin, & Chua, 2013) has changed financial transactions from the conventional reasonably steady environment to an e-based transaction, without your presence in the traditional banking hall which warrants quicker payments, because it reduced lines at point of sales(POS); it enhances hygiene(eradicating the spread of bacteria via money handling); boosted sales, collecting cash in a simple way(reducing time of collection, count and sorting of money) and management of staff benefits (Andabai & BINA, 2019)

1.2.1 Financial Performance

The choice of transaction techniques has diverse effects on the operational performance of distinct organizations. Regarding the operational expenses associated with various payment methods and their effect of different firms' financial performance, modes of transactions exhibit distinct rankings (Baariu, 2015). Using cash as a method of transaction requires additional investment in terms of physically managing money and transporting it to the bank (Otieno & Kahonge, 2014). These associated costs contribute to the decline in a company's revenues. On the other hand, mobile payments also reduce the expenses associated with handling physical money, such as security measures and frequent visits to the bank to deposit the collected funds (Nzioka, 2013).

Additionally, it reduces the costs associated with employing staff responsible for banking services and the physical security of the money.

Electronic transactions offer the added convenience of eliminating the need to seek for loose change when making purchases (Muema, 2014). Regarding business efficiency, various methods of transactions are associated with varied levels of efficacy. Transactions conducted through cheques can have an impact on a business's financial performance. This is because the business

must wait for the cheques to be processed and cleared by the bank, which results in the business's operating funds being held within the bank's system (Sullivan, 2014). Mobile payments enhance business productivity by eliminating the need for owners to spend time calculating cash, validating its authenticity, and searching for loose change (Wambua, 2015). Mobile transactions facilitate long-distance transfers of commodities by utilizing mobile currency, hence enabling internetbased commerce. This allows customers to engage in transactions regardless of their physical location, without the need for in-person presence.

1.2 Problem Statement

Based on the (World Bank's report in 2022), Burundi ranks low in global innovation and falls behind other countries in Sub-Saharan Africa in terms of technology adoption and progress. Burundi ranked 128th out of 129 countries in the 2019 Global Innovation Index. Additionally, it was placed 26th out of the 26 Sub-Saharan African countries included in the survey. In relation to GDP, Burundi surpasses the predicted levels of progress, although there are no indications of any significant advancements in terms of innovation. In 2019, Burundi's performance in terms of innovation inputs and outputs was significantly worse compared to 2017. The state produces a limited amount of new technological advancements relative to the quantity of expenditure in innovation. According to the innovation ranking criteria, Burundi is ranked 5th out of 7 countries.

This ranking is based on factors such as infrastructure innovation, market civilization (129th out of 129), technology and knowledge outputs (127th), inventive outputs (125th), and institutions (123rd). The performance in the fields of human resources and research has shown development, which is seen in the government's advancements in the education sector (103).

Burundi outperforms other Sub-Saharan African countries significantly in terms of the level of business sophistication, scoring 74The user's text is empty. In the (UNCTAD, 2021) Technology

and Innovation Report, Burundi was ranked 145th out of 158 nations. It received its least scores in the sectors of research and development (R&D), while achieving remarkable rankings in finance, skills, and information and communication technology (ICT). Mobile cash service providers dominate the offering of electronic payment services in Burundi. The limited range of services offered by service providers, such as transaction facilitation, currency transfers, and cash withdrawals, poses a disadvantage for mobile money clients. In order to promote financial access for underserved populations, it will be necessary for more financial institutions to efficiently offer electronic money services. Initiating a collaboration concept in the market is crucial for players to combine their diverse capabilities in order to provide improved services, such as credit, savings, and withdrawals, between a cellular-network providers and banks or financial institution.

World Bank's report (2022), Banking sector is leading in acceptance of cashless payments and sectors like petroleum industries are embracing cashless payments such cards and mobile payments as a form of payments in buying fuel products. However, the new technology uptake in Burundi is still low. The major organizations utilizing new technology are financial institutions, which contains almost only of mobile cash, and card transfers. Other sectors like petroleum, there is a smart card issued to particular government organizations and some Non-governmental personnel for efficiency. Consultants in the areas of technology state that only a handful of small and micro companies invest in modern technology to anchor their enterprises, since they it is not affordable, they lack preparedness and they also lack literacy in digital world.

However, the use of cashless payments in transacting businesses is still low and effect not felt fully, the reason why this study was interested in ascertaining the effect of use of the cashless payments on financial payments in petroleum sector in Burundi.

1.3 Objectives

1.3.1 General Objective

The general objective of this study was to examine the influence of the cashless payments on financial performance of petroleum industry in Burundi.

1.3.1 Specific Objectives

i) To establish the effect of direct debit payment on petroleum sector financial performance in Burundi.

ii) To analyze the effect of card payment on petroleum industry financial performance in Burundi.

iii) To evaluate the effect of mobile payment on financial performance of petroleum industry in Burundi iv) To determine the effect of online/internet payment on financial performance of

Petroleum industry in Burundi.

1.4. Research Questions

i) How did direct debit affect financial performance of petroleum industry in Burundi?

ii) Did credit card payment affect the financial performance of petroleum industry in Burundi?

iii) How did the mobile payment affect financial affect financial performance of petroleum industry in Burundi? iv) How did the online/internet payment affect financial performance of petroleum industry in Burundi?

1.5. Significance of Study

The findings of this research will be of use to a few interested groups.

Managers; The management will attain new understanding into the strategic problems that they require to handle so that they place themselves more competitively in the settings in which they function. It will also offer critical knowledge for making decision on the future days' fuel cards.

The owners of the Interpetrol Petroleum will benefit from this research, since they will learn more about the essence of using cashless payments in the company and see the need of more payments innovations to improve on the performance.

Other petroleum companies and other sectors will leverage and embrace the innovation of cashless payment from the study.

1.6 Scope of the Study

1.6.1 Geographical Scope

Geographically, the survey was strictly carried in the Interpetrol Petroleum Company since it is the largest petroleum company in Bujumbura Burundi. Interpetrol is the major importer and supplier of petroleum products in Burundi. In addition, it is the only petroleum company that has introduced cashless mode of payments such as cards and mobile payments for its products.

1.6.2 Content Scope

The research was limited in regard to content scope since it only looked at the influence of cashless payments on financial performance of in petroleum firms in Burundi.

1.6.3 Time Scope

The study was done in one-year duration since it is academic and this will be between 2022-2023 December.

1.7 Limitations of the Study

Since Burundi are francophone, the study was anticipating to experience language barrier from the respondents since most of the respondents are Burundians and francophone and Kirundi is their French is their second language. The researcher may also found it hard to get the data from some of the respondents. The respondents feared giving information due to suspicion that they are being investigated by the researcher. Another limitation the researcher is the time, since one was required to go to the field and analyze data in stipulated time period.

1.7.1 Delimitations of the Study

The researcher translated all questionnaires into French and Kirundi version to enable respondents understand questions and give needed answers. The researcher had to explain questions that were not clear to respondents so that they could answer correctly. The researcher first obtained the letter of ERC from Mount Kenya University before proceeding to the collect data from the field. The investigator additionally sought authorization from Inter-petrol company management to be allowed collect data from the company which was used to assure respondents of their security in giving information. The researcher also explained to the respondents that the study is entirely for academic reasons and it will not be applied elsewhere without their consent.

1.8. Assumptions of the study

The research founded on the presumption that each of respondents was transparent in responding to questions which upon gathering of data by the researcher, it was assumed to be valid and reliable for analysis. Additionally, the study was believed to be appropriate to the participants that was consequently lead to results giving knowledge of the question.

1.9 Operational Definition of Key Terms

Cashless Payments: The progress of information technology has enabled the advancement of electronic transaction methods which allow for the product exchange without the need for actual currency. Cashless payment refers to the practice of using electronic transfer payments or nonelectronic methods such as cheques instead of physical currency as a means of exchanging goods and services.

Credit Card payment: A credit card, in its intangible state, serves as a payment method that enables both individual and commercial transactions, such as purchases and cash advances. A credit card typically functions as a replacement for physical currency or a check, and typically offers an unsecured revolving credit line.

Direct Debit Payment: Direct Debit is a customer's command to their bank or building society to make a payment. The user is granted the authority to withdraw different sums of money from their bank account, provided that they are informed in advance about the collection specifics and are notified of any future modifications.

Financial Performance The methods of transactions have various impacts on organizational performance of different enterprises. In regard to operational costs of dealing with different payments method and their impact on the monetary performance of the different companies, modes of transactions rank diversely

Internet Payment: E-commerce means electronic trading of goods, services and information through computer devices, comprising internet. E-Commerce is typically associated with payment systems that facilitate the creation of different kinds of e-currency and specialized payment services.

Mobile money payment refers to a payment method where the payer uses mobile communication techniques and mobile apparatus launch, assent to and validate the trading of financial worth for good and services.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

Chapter two included Theoretical Literature, where theories supporting this research discussed, the empirical literature that discussed other studies done before and gap analysis from the literature. This chapter additionally showed the conceptual framework which the theory this study used. The conceptual framework presented as per objectives. The final part was summarized of the chapter which was a recap of the chapter two.

2.1 Theoretical Literature

2.1.1 The Diffusion of innovation Theory

Everett M. Rogers proposed the theory of Diffusion of Innovation Theory in 1962. He postulated the way gradually a concept or product attains impetus and diffuses through a society and the outcome is the society embracing the new product or concept. (Rogers 1995) explains that the concept diffusion fails to occur concurrently in the society but instead it occurs in a series of time and the society can be segmented into adopter classifications. The adopter classifications are classified into: Innovators, early adopters, early majority, late majority and Laggards. The segments exhibit the gradual diffusion of the concept from its initial stage until it gets the entire society. The cashless transactions adoption within the community basically shows the procedure of diffusion via economy transformation to a digital economy from an economy that is cash based. The adoption pace of the digital economy is dependent on the adopter classifications

According to (Fox, 1987) in the 60s and 70s, the electronic money payment would act as a substitute for cheques while cash remained a principal payment mode in the USA. In the contemporary world, digital transaction modes have persisted to rise and will keep on increasing

as the process of diffusion progresses (Tee & Ong, 2016). This study has applied diffusion of innovation since the study is about adoption of cashless payment in Burundi and especially in Petroleum Sector. Adoption of cashless transactions in Burundi is new concept but for years, it has been taking roots in the 21st century and especially in banking sector. The Theory is applicable to this research because the adoption digital has been gradual and still taking shape in other sectors in Burundi.

2.1.2 Financial Inclusion Theory

Another theory that will be significant to this study is financial inclusion Theory. According to (Ozil, 2020) financial inclusion theory outcomes are attained via the working of the different subsystems in existence which are social, financial and economic systems. The required results of financial inclusion may be significantly affected by a considerable transformation in a substructure (one system element). The theory argues that the sub-structures efficiency will dictate if a national financial inclusion tactic will be accomplished or failed. Essentially, the financial inclusion theory accepts the significance of existing financial, social and economic system, as well as their interrelationships in promoting financial inclusion. He further explains that according to the theory, financial literacy is applied as a national tactic for attaining financial inclusion. It offers a podium of informing the mass on management of finance and pros of using modern monetary services.

(Simatele, 2021) argued that systems of payment are significant for financial inclusion and is able influence poor in different means. For example, effective transaction services can enhance financial inclusion by decreasing the transaction cost, proper cash management in addition to cash transfers. Most particular, cashless transactions have lessened the expenses of offering services of finance to the impoverished. Most homes have reduced travel distances to places of service in

addition to avoiding huge charges of bank transactions. The poor are still hugely reliant on cash payments on their daily transactions despite the rising use of cashless transactions. This theory is very significant to this study since the study will inform the payments method in Burundi. Now that this study it is about cashless payment adoption in Burundi, the theory support this since it supports the idea of embracing the virtual transaction in the age of innovation transformation.

2.1.3 The Unified Theory of Acceptance and Use of Technology (ATAUT)

This theory was proposed by (Venkatesh, Thong, & Xu, 2016) state that it is a technology acceptance theory to elaborate that what makes masses to adopt and utilize new technology at workplaces. As its name indicates, the theory is a combination of components of the before studied and created theories on personal adoption and application of information technology(IT) such reasoned action theory, model of technology acceptance, and model of motivation, planned behavior theory and theory of diffusion of technology. The blending element of UTAUT provides it a competitive edge as compared other theories because it gives comprehensive understanding features of behavior of adoption and embrace of modern inventions. (Venkatesh et al. 2003; Kripanont 2007). The theory acknowledges 4 key elements which are social influence, effort expectancy, performance expectancy and enabling situations beside four moderating factors (gender, volunteering, age and experience) which are that are modeled to balance the effect of the four forms on forecasting behavioral intent to embrace technology and real technology application.

(Venkatesh et al 2003), explain performance expectancy as extent to which the users of technology anticipate that applying the system will assist them acquire advantages in performance of the job. That means that, the application of specific structure will assist in satisfying anticipated user need. Hence, a model that does not support consumers to achieve their work requirements or demands is greatly likely to be renounced by consumers (Fang et al. 2005). Expectation of performance is

confirmed by most researchers and scholars to be the primary conviction component that impacts significantly on decision of the user to employ or embrace a modern progress (Venkatesh et al. 2003; Figl and Derntl, 2011; Yakubu 2012, Khayati and Zouaoui; and 2013 Omol et al. 2016).

Thus theory supports this study since it seeks to find out if the embrace of cashless payments impacts on the performance of Petroleum firms in Burundi or not. The performance expectancy aspect in this theory anchors the study, since the study will seek to establish if the cashless and especially cards are effective in petroleum sector in Burundi.

2.2 Empirical Literature

2.2.1 Cashless payments and performance of petroleum firms

A study done in Malaysia by (Rahman, Ismail, & Bahri, 2020) to asses factors affecting the adopting of paperless transaction in Malaysia applying a properly-created interconnected theory adoption theory and technology use. They noted that Malaysia was in the move of becoming a cashless population is perceived as a policy function move, as well as serving need from a particular market categories (Kadar, Sameon, Din, & Rafee, 2018). The direction to cashless is an international, and people ought to be informed that what is workable for one nation might not apply to other nations because of infrastructure differences(technology) and culture (behavior). They state that cashless transactions may lessen chances of evasion of tax, shadow economy, and bribery. Nevertheless, the tax gap because of evasion of tax and the shadow economy is often difficult to accurately measure. A cumulative of 301 questionnaires were properly filled to measure the hypotheses. The data analysis was conducted through Structural Equation Modelling. Findings indicated that expectancy of performance and enabling situation had a very favorable influence on the acceptability of contactless payments. The findings also demonstrated a strong correlation between the perception of technological security and the adoption of cashless transactions. The

data revealed a strong connection between the embrace of cashless payments and factors such as social influence, hedonic drive, and innovativeness.

Tee and Ong (2016) aimed to assess the effects of implementing cashless transactions in 5 European Union countries (Belgium, Portugal, Germany, France, and Austria) from 2000 to 2012. The data underwent analysis with the Pedroni Residual co-integration and Paneel Vector Error Correction Method Model (VECM). Findings exposed a favorable correlation between the implementation of contactless transactions and the economic performance of the 5 European Union states. However, this impact was observed to be significant over a prolonged period rather than in the near term.

Kamau (2012), examined the impact of non-cash payments on financial productivity of nonfinanced revenue of Kenyan commercial banks. Whereby findings revealed that the coefficient of contactless payments revenue was 0.537, indicating a considerable and meaningful impact of cashless payments on the non-financed revenue in Kenya commercial banks.

2.2.2 The Effect of Debit and Credit Card Payment On Financial Performance.

A study done by (Davletshina & Nabieva, 2015) intended to investigate if debit credit amidst contemporary circumstances of the economic dangers is one of the highly significant elements of monetary strategy and guidelines of the organization, its market positioning and financial solidity. For enterprises running in the markets of various fields of the Russian Federation economy, the aspect of improvement of the debit debt management system is one of the highly regarded in the current world. The study was carried out between 2002 and 2012. The study was comparative by nature. The study was analyzed using both descriptive and inferential analysis. Descriptive analysis included means, standard deviation, frequencies and percentages while inferential analysis was presented in terms of correlation, regression analysis and Analysis of

Variance(ANOVA). Under this study, the researcher found out that

Odhiambo and Memba (2012) Conducted an investigation to examine the effect of credit cards on the of Kenya commercial banks financial performance, with a specific focus on Migori urban center. This research focused on determining the link between the acceptance of credit cards and credit card users' satisfaction in addition to evaluating if the acceptance of these cards had resulted in increased income for commercial banks. This research applied a descriptive design for the methodology. The research used both open-ended and close-ended questionnaire which were distributed to the management of the six commercial banks, which were determined using by sampling purposively. Additionally, 120 consumers of credit cards were included in the study. The data underwent evaluation utilizing statistical techniques like the chi-square, simple regression, Pearson correlation coefficient. Findings showed that credit cards have significantly influenced the contentment of users of credit cards, and the implementation of credit cards has bolstered the earnings of Kenya commercial banks. This survey recommended that commercial banks ought to broaden their credit card market in order to optimize the benefits of credit card usage and bolster their profitability.

Ndhine, Kibati, and Jeptepkeny (2020) carried out a study that used secondary information gathered from the public yearly financial reports of the commercial banks that are listed. The data analysis was performed with the statistical program SPSS. The data underwent analysis employing inferential and descriptive statistics gotten from analysis of panel linear regression. Regression analysis was employed to calculate statistical significance of the connection between variables. The outcomes illustrated that the use of debit cards had a beneficial effect on the banking industry's earning, as quantified by the return on assets (ROA), from 2009 to 2019. The outcomes also demonstrated that the more the debit cards were used the more there was a reduction of transaction

costs and enhanced convenience for individuals who utilize both credit and debit cards. As a result, this attracted the interest of potential clients, resulting to an increase in more selling and earnings. The study proposed that commercial banks ought to reduce the expenses connected with transaction methods to promote usage. Consequently, the act will greatly improve the financial performance of commercial banks in the country. The survey recommended that commercial banks musta thorough comprehension of the safety perception mechanism and payment behavior. This insight can aid policymakers and central bankers in maintaining stability.

Zandi et al. (2013) looked into the influence of the shift towards debit and credit cards on the economic expansion of 56 nations worldwide. Research has shown that the use of payments via electronic can boost cost-effectiveness and economic use. In addition, the use of e-payments is essential for guaranteeing honesty, liability, and the lessening of cash-linked fraudelence, all of which are critical components of economic expansion and progression (Mieseigha and Ogbodo, 2013).

Zandi et al. (2013) addressed a study to determine if the long-term alteration of debit and credit cards promotes economic development in 56 nations worldwide. It was discovered that E-card transactions have the potential to increase efficiency and improve economic consumption. Furthermore, the implementation of E-payment is crucial for ensuring clarity, responsibility, and reducing instances of monetary fraud, which are key factors in fostering economic development and growth (Mieseigha and Ogbodo 2013). Research on credit cards, although not limited, indicates that the use of these cards leads to a rise in both the value and volume of transactions. Confirmation is needed to determine whether the usage of smart/debit cards in conjunction with mobile transactions yields similar outcomes.

(Wanjiku, 2024) researched on influence of debit cards on financial performance of listed commercial banks in Kenya. Descriptive study design was employed in this research which covered a time frame of 2009-2019 using panel data. The study population was derived from eleven listed banking institutions in Kenya. The research basically applied both secondary information which was garnered from annual financial records of the listed banks. SPSS was used to analyze the findings and data was analyzed in both descriptive and inferential statistics derives from panel linear regression analysis. Regression statistics was applied to ascertain the importance of the connection between variables. The outcomes revealed that improvement in use of debit card, enhanced banking sector profitability in terms of ROA over the time between 2009 to 2019 quarterly. Additionally, the findings exposed a rise in the use of debit cards remarkably decreased payment expenses and improved comfort among debit and credit consumers. Hence, this lured more potential clients resulting to rise in sales and profitability.

(Mugo, Muathe , & Waithaka, 2019) also did a similar study of finding out if credit and debit cards affected the business financial performance and established that; they combined information systems success models task-technology fit, agency theories on the financial performance in deposit taking SACCOs in Kenya. The study found a significant relationship between Saccolink debit cards and financial performance of businesses. Thus, the study recommended the progressive use of Saccolink debit cards and an improvement of their aspects within the Deposit-Taking SACCOs in Kenya.

Another study by (Chelangat, Kiprop, & Mutai, 2022) Conduct a study to determine the correlation between payment cards and the financial performance of commercial banks in Kenya. The study employed a cross-sectional, descriptive survey research approach. The study's population consisted of 42 commercial banks that were granted licenses by the Central Bank of

Kenya between 2011 and 2020. The study utilized secondary data extracted from the annual financial reports of 42 banks during a ten-year period spanning from 2011 to 2020. The work was informed by the Coase Theorem, constraint-induced financial innovation theory, circumvention innovation theory, and innovation diffusion theory. We examined the data using descriptive statistics and a panel model. At a significance level of 5%, the findings suggest that the use of debit cards at ATMs is positively and significantly associated with the return on assets (ROA). The relationship between credit cards at ATM and POS machines and ROA was favorable but not statistically significant. On the other hand, Prepaid Cards, and ATM had a negative relationship with ROA, although it was also not statistically significant.

In countries such as the USA and Japan, where cards are commonly used, the evidence suggests that they offer a more cost-effective and efficient method of payment compared to traditional retail purchases. These systems significantly enhance the overall efficiency of the retail sectors economy. In the USA, renowned academics associate credit cards with an alarmingly elevated incidence of consumer bankruptcy. Essentially, the largest among all developed nations. There is a compelling argument to support the claim that the widespread consumption of credit cards is insignificantly correlated with a country's savings rate. If, as hypothesized by certain scholars, the utilization of credit cards leads to a decrease in savings, then the recommendations that promote the use of credit cards are appropriate for macroeconomic planning strategies that are influenced by savings rates. Therefore, it is imperative for policymakers to embrace a deeper understanding of the institutional characteristics that promote the utilization of cards, particularly as a means of borrowing (Mann, 2002).

2.2.3 The Influence of Direct Debit payment on Financial Performance.

Bojan, Corovei, and Ioan Trenca (2014), conducted the research with a purpose of identifying the retail payment measures that have an impact on the growth of economy. This study contributes to the present body of literature by demonstrating the influence of transaction market facility from a novel standpoint. To achieve this objective, the researcher created a comprehensive framework comprising of 26 European countries. This framework effectively reflects the correlation between economic growth and retail payment instruments. The study employed a Panel Regression Model to determine the effects of retail payment mechanisms. The retail payment tools utilized include cash, all types of cards, direct debit, credit transfers, and checks. Our findings indicate that these tools have a beneficial effect on growth of economy, except for cash. Cheques have the most significant influence on growth of economy in established states, while cards have the biggest influence on growth of economy in emerging countries (World Bank 2016)The experience of merchants who accept and consumers who use electronic payments is highly satisfactory. A majority of debit card-taking merchants (89%) and mobile money acceptors (97%) expressed their endorsement of accepting electronic payments to fellow retailers. The benefits of acceptance were emphasized, particularly in terms of safety, accelerated transaction speeds, user-friendliness, and the alleviation of the inconvenience of searching for change. Regarding customers, 84% of mobile money users and 91% of bank transfer users expressed their inclination to promote these financial tools to others.

(Global Adoption of RT-RPS, 2015)" demonstrates a synopsis of the present market segment and development shifts of non-cash payments worldwide, including credit and debit cards, ecommerce, business proforma, and wages. It also identifies the payment types that would gain the most from the value proposition of RT-RPS, which offers immediate transfer, confirmation, and the ability

to reuse funds at any time, 24/7/365. The argument is less strong for the prompt availability and verification of funds for P2B bill payments, which include direct debits, as well as for B2P wages and pensions. This is unsurprising because these transactions are usually prearranged to occur on a specific date or at a specific frequency. The added benefit of having the payment processed in real-time on the predetermined date is, arguably, minimal. The survey also found that merchants have a strong urge for prompt transactions, which is supported by their desire for comfort (such as the emerging of recent mobile point-of-sale systems and applications like Apple Pay), cost effectiveness (such as the shift towards credit transfers as substitutes to credit and debit card payments), and a better comprehension of client's buying traditions in order to create loyalty schemes and maximize opportunities of cross-selling. The poll outcomes indicate the possible applications of real-time payments on a worldwide scale, encompassing all countries. The use cases may vary across various markets. For instance, in the US, POS payments are not suitable for fast money availability due to the presence of established payment instruments that are both convenient and widely adopted.

2.2.4 The Impact of Online Transfer Payment on the Financial Performance of a Firm.

In a study conducted by Yasin (2018), the author assessed the banking influence on the financial performance of Ethiopia commercial banks, utilizing empirical evidence. The study conducted an empirical review to analyse the impact of banking online, liquidity of bank, adequacy of capital adequacy, size of the bank, cost-effectiveness, inflation, and deposit on to asset ratio financial performance. The research employed an explanatory research design, utilizing a secondary way of data gathering through record analysis, panel discussions, a quantitative method, and a deductive interrogation style. The survey utilized a sample of 10 banks to reflect the time span from 2010 to 2016. The data underwent analysis using Stata version 12, employing descriptive and regression

analysis techniques. Furthermore, an assessment was made of the procedures involved in estimating econometric models and conducting specification tests, along with an examination of the underlying assumptions of multiple regression. Therefore, the random effect regression model was preferred. The outcomes of the random effect regression analysis demonstrate a direct correlation between capital sufficiency and cost efficiency with the banking institutions financial performance. In contrast, there is an insignificant correlation between bank liquidity, deposits to asset ratio, and inflation and banks' financial success. However, the influence of internet banking The statistical analysis reveals that the impact of size of the bank on the banks financial performance in Ethiopia is found to be insignificant, displaying both favorable and unfavorable attributes. Hence, the internet banking effect and the scale of banks on the financial performance of Ethiopian banks has not been taken into account.

(Awwad, 2021) examined electronic payments, which are considered a vital element of financial technology. Hence, electronic transactions take a crucial function in strengthening the financial efficacy of the Bank of Palestine. The research employed three dependent variables: earning per share (EPS), ROA, ROE). To dig into the data spanning of banks from 2010-2019, the study applied an analytical and descriptive approach. Thus, the outcomes illustrate that e-payment techniques had a substantial consequence on the banks' financial performance, as indicated by the metrics of return on assets and equity. This impact can be ascribed to the decrease in expenditures, resulting in higher earnings. Nevertheless, there is no positive statistical impact on the EPS. Furthermore, the Bank of Palestine utilizes an extensive array of digital transaction channels.

Hence, the research recommended the imperative to improve the effectiveness of information security in combating fraudulent threats, while also establishing regulating and supervising entities

(such as the Palestinian Monetary Authority) to bolster the adoption of digital transaction systems.

The implementation of the E-payment system provides numerous benefits, such as secure and prompt access to financial resources (Khan et al., 2017), quicker payments, streamlined tracking, transparent transactions, decreased time consumption, time and cost savings, expanded customer base, broader range of services for clients, improved productivity, enhanced institutional recognition (Yang et al., 2018), extensive spread of global products and services for customers, opportunities for branding and advertising, increased client contentment, customized connections with clients, and simplified record and payment tracing. The study conducted by Ugwueze and Nwezeaku (2016) revealed that e-based transactions offer numerous benefits compared to traditional money-based and cheque transaction techniques. The benefits encompass enhanced transparency between customers and vendors, diminished obstacles and security concerns, and heightened versatility in utilization. In addition, Khan et al. (2017) discovered that e-based transactions are more widely acknowledged and sophisticated in comparison to paper-based electronic alternatives. Consequently, the importance of relying solely on currency for transactions is diminished.

The research undertaken by Nwankwo, Idachaba, and Eze (2021) explored the influence of electronic payments on Nigeria Commercial Banks financial performance. Automated Teller machines, Point of Sale, transfer through mobile phones, and digital fund transfer are alternative methods for electronic transactions of bank. ROE was applied to measure of profitability for banking institutions. The survey utilizes the research design known as an ex-post facto, including

the interval from 2010 to 2020. Diagnostic test was done, and an Auto Regressive Distributed Lag (ARDL) model is determined by use the technique of Error Corrections Model (ECM). The research mentions that the presents value of Automated Teller machines, Point of Sale, transfer through mobile phones, and digital fund transfer have statistical significance with a significance level below 0.05. The E-cheque effect on productivity of Nigerian banks is minimal. This survey refutes the null hypothesis and suggests that the model's coefficient of determination (R2) and adjusted R-Square imply that around 83% of the impact on bank profitability in Nigeria can be attributed to the parameters examined in this survey. Furthermore, the statistical analysis of this study demonstrates that the collective impact of the e-banking proxies has a remarkable influence on the profitability of banks in Nigeria. Banks are advised to allocate resources towards all electronic payment channels so that they ensure the smooth operation of a cashless economy, similar to that of a developed economy. The key imperative for any developing economy is to ascertain solidity and sustainability of its banking sector in order to support economic growth.

2.2.5 The effect of Mobile Payment on Financial Performance

(Mahakittiku, 2020) did an analysis to measure the possible mobile payment impact on the company's overall performance. This study posited that many aspects, including correlative pro, complexity, congruity, firm originality, understanding of mobile transaction, crucial people, competitive edge, and outside reinforcement, are the Technological, Organizational, and Environmental (TOE) factors that can impact business performance. Information was fetched from 387 enterprises in small businesses and service sectors situated in Bangkok, Thailand. The result was examined by applying structural equation modeling, performed in IBM SPSS and Analyses of Moment Structures (AMOS). The extensive results indicate a positive correlation between competitive edge, correlative advantage, firm originality, and external supports and business

performance. The results also revealed a link between all environmental indicators and firm performance. The primary determinant of a company's performance is the degree of competition it encounters. Moreover, possessing a substantial critical mass negatively impacts a company's success. Furthermore, a multi-group analysis was conducted to ascertain the discrepancies across different company sectors, firm sizes, and monthly incomes. The fundamental purpose of this research was to furnish managers with valuable insights to improve their firm's performance, while also providing recommendations to service providers and authorities.

Usman (2020) examined the impact of mobile banking on the financial performance of deposit banking institutions in Maiduguri, Borno State, with a specific focus on the U.B.A. Maiduguri main branch. It employed the Pearson product moment correlation coefficient (PPMCC) to determine the magnitude and orientation of the linear correlation between the parameters. The study employed the descriptive research methodology to acquire its results. We distributed a total of 50 questionnaires, but only collected 25 for tabular analysis using the SPSS software. The study's primary findings indicated that the introduction of mobile banking did not have a statistically significant impact on the financial performance of deposit money institutions in Maiduguri. As mobile usage rises, the financial performance of deposit money institutions may decline. The study suggests that deposit money banks in Maiduguri should prioritize allocating resources to research and development (R&D) in order to identify novel technological breakthroughs in banking that can surpass the performance of mobile banking.

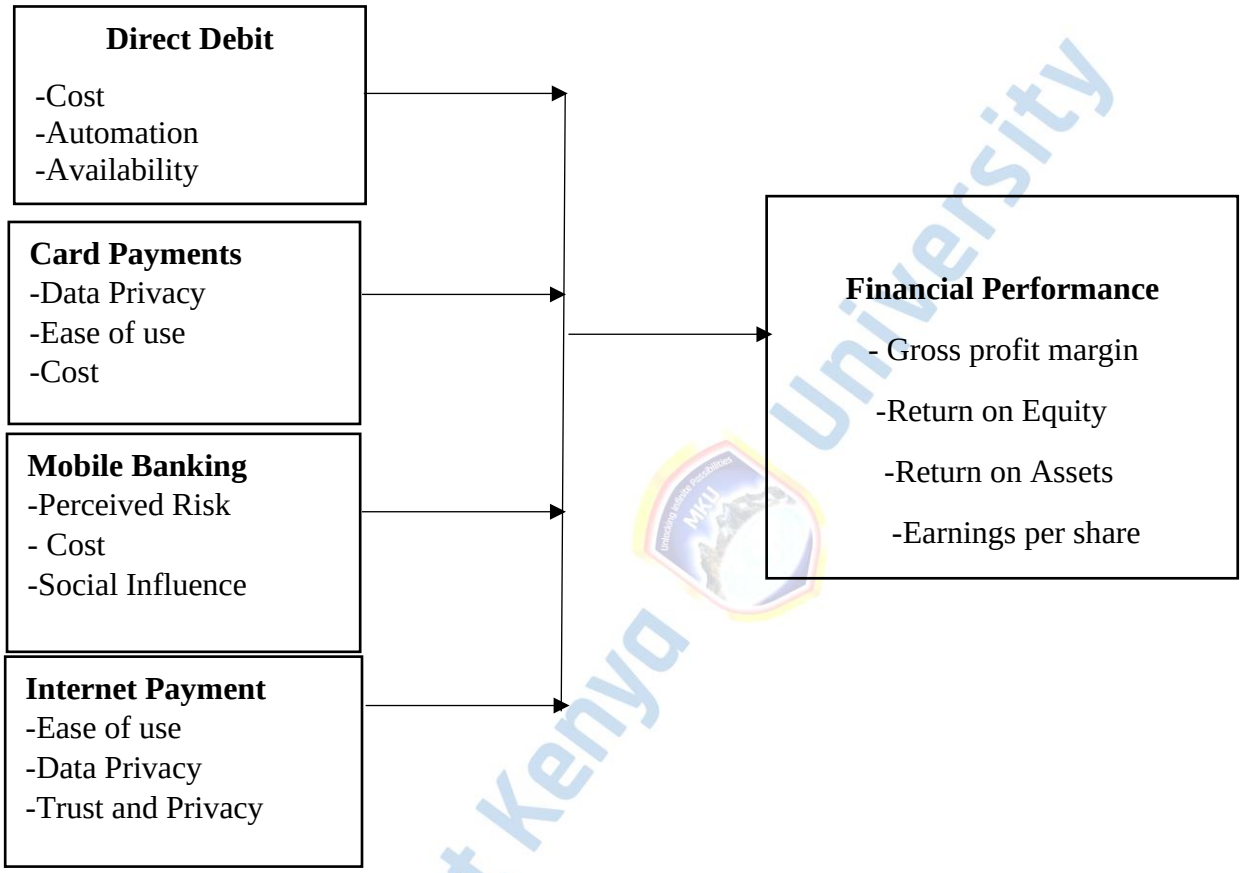
Muiruri, Richu, and Karanja (2015) conducted a study to assess the impact of mobile banking on the financial performance of micro and small enterprises in Nakuru town, Kenya. The researcher aimed to examine the impact of the promptness and reliability of mobile banking on the financial efficiency of micro and small enterprises (MSEs) in Nakuru town. The study employed a

descriptive research design. The study randomly selected a sample of 126 micro and small enterprises (MSEs) from a larger population of 1,260. Questionnaires assisted in data collection. The researcher processed and examined the data using the SPSS software. The data analysis technique involved the application of both descriptive and inferential statistics. The results showed a strong and statistically significant correlation between the timeliness and reliability of M-banking services and financial performance. The study concluded that the timeliness and reliability of micro and small enterprises (MSEs) are likely to result in improved financial performance. We encourage micro and small enterprises (MSEs) to optimize the utilization of mobile banking (Mbanking) due to its efficacy and reliability.

2.3 Conceptual Framework

Independent Variable Dependent Variable

Cashless Payments



Financial Performance

Figure 1: Conceptual Framework

Source: Researcher 2023

2.4 Literature Recap

(Rahman, Ismail, & Bahri, 2020) researched on the determinants of cashless system of payment adoption across enterprises in Malaysia. A seven-factor model, built from the Theory of Everything (TOE) framework, was created and subsequently tested. The data obtained from 200 corporate organizations in Malaysia was evaluated using the partial least squares (PLS) statistical method. The results indicate that the acceptance of cashless payment systems is greatly affected by compatibility and technological proficiency. The adoption of cashless payment systems is significantly influenced by factors such as management support, corporate critical mass, competitive pressure, and information intensity. Nevertheless, the scale of the business does not exhibit a substantial correlation. The study outcomes carry incredible meaningful ramifications for business stakeholders in Malaysia and suppliers of technology. The article focuses on the factors that impact a company's choice to adopt cashless payment systems for the purpose of streamlining commercial transactions. Conducting this study in the petroleum industry of Burundi will be advantageous for assessing the possibility of achieving comparable results, given that the current study was conducted in Malaysia.

Ghosh (2022) investigated the influence of many factors that impede the acceptance and utilization of mobile payment services in India. The study employed the framework of "innovation resistance theory" to understand client resistance. The implementation of mobile payment service was hindered by limitations associated with utilization, perception, and worth. The poll was carried out in India and it unveiled the reluctance towards using mobile payment methods in the nation. The goal of this study is to investigate the implementation of mobile payment systems in Burundi's petroleum industry, with a particular focus on the Interpetrol Company. The study aims to examine the potential financial consequences for the company arising from the use of mobile payment solutions.

Wong, Lau, and Yip (2020) conducted a study to examine the correlation between cashless transactions and economic growth in specific OECD nations. Our examination of the yearly data gathered from 2007 to 2016 reveals that the implementation of cashless payment systems has a beneficial effect on the economic expansion of OECD countries. Debit card payments have a discernible positive impact on economic growth, whereas credit card, e-money, and check payments do not. Furthermore, the correlation between economic growth and debit card payments remains strong even after taking into account the impact of indigeneity, omitted variable bias, and outliers. This study examined the correlation between cashless transactions and the economic expansion of specific OECD nations. The findings demonstrated a direct correlation.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the research methods employed in the study to effectively tackle the research challenge. The research methodology of this study encompassed the research design, which outlines the approach that was employed, as well as the study population, sample size, sampling technique, data analysis methodologies, and procedures for analyzing the acquired data. The chapter was concluded with a summary that aimed to emphasize all the components that was to discussed in the chapter.

3.1 Research Methodology

Research design, as defined by Kirumbi (2018), refers to a collection of methodologies and procedures employed to gather and analyze data related to the variables identified in a research problem. This study applied descriptive survey and correlational research approach. A descriptive survey is a method used to gather information that accurately depicts a given phenomenon. It involved collecting responses from target respondents to understand their attitudes, behaviors, beliefs, and values related to the phenomenon (Barnes & Holland, 2015). This method was selected since it is regarded as the highly reliable method for getting truthful and attitudinal information that can effectively address the research problem, since it enabled the researcher to obtain opinions, characteristics, and beliefs of the respondent (Rozario, 2014). Correlation design was used to vividly test the relationship between use of cashless payments and performance of petroleum companies in Burundi.

3.2 Location

This study was done in Bujumbura in Interpetrol petroleum Company offices. It was ideal place for data collection since it has been a major distributor of oil in Burundi in Bujumbura and beyond. The management was also the pioneer of use of cards in buying fuel in its branches all over Burundi.

3.3 Target Population

Population can be defined as a well-defined group of individuals or objects that are known to have similar attributes or characteristics (Seger, 2012). According to Interpetrol Petroleum company, it has 126 employees working from various parts of Bujumbura. For this study, the target population of 126 employees who were drawn from senior managers and general managers, supervisors and junior staff that work for Interpetrol Petroleum Company.

Table 1: Target population

Category	Frequency	No. of Sample	P
Senior Managers	3	2.28	
General Managers	37	28.12	
Supervisors	32	24.32	
Junior staff	54	41.04	
Total	**126**	**96**	

Source: Researcher, 2024

3.3.1 Sample Size

Sample size is the quantity of observations obtained from a population, which is used to make statistical conclusions about the entire population (Cooper & Schindler, 2014). When establishing the sample size, the researcher was considered the desired level of confidence in the data, the type

of analysis to be performed, the precision required, and the size of the whole population being studied. This study employed Yamane's formula to calculate the sample size, assuming a confidence level of 95% (Cooper & Schindler, 2014).

$n = N$

$(1 + Ne2)$

Where n= sample size

N = study population

e = alpha level, 0 .05

n = 126

1 + 126(0.05)

= 96

The Yamane's Formula provided above was used to determine the sample size of the study. The sample size of 96 was determined using the formula, based on a study population of 126 respondents.

3.3.2 Sampling Procedures and Techniques

Sampling technique can be referred to as the method employed by studies to make sure that various objects or items are either homogenous or heterogeneous are properly classified in the end result of the selected sample being in surveyed (Cooper & Schindler, 2014). This research used stratified sampling technique to ensure that all management sections were properly represented in the choice of research participants. Stratified sampling is the standard technique in making sure that, no biasness in choosing of participants (Lewis & Liao, 2009), thus, it was used to pick management personnel who participated in this research. The participants from each strata were randomly picked and 76% was ideal for each strata since they were mostly interacting with cashless payments either directly or indirectly.

3.4 Construction of Research Instruments

Cooper and Schidler (2014) defined data collection as the systematic and well-established procedure of acquiring and measuring information from study participants in order to address research questions or objectives. The main tool for gathering data in this study was questionnaires. A questionnaire is a research tool that comprises a series of inquiries designed to gather information from study participants (Robinson, 2018). The questionnaire employed a Likert Scale consisting of five assessments, namely: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. The questionnaire was divided into four sections. The first section gathered demographic information from the respondents. The second section focused on addressing the first objective of the research. The third section contained questions related to the second objective of the study. Finally, the last section of the questionnaire addressed the last objective of this study. According to Howard-Payne (2015), questionnaires are essential instruments for gathering primary data in research. Hence, the utilization of a questionnaire in this study is justified as it solely collected primary data from the participants.

3.4.1 Validity of Data Collection Instruments

The research instruments mentioned are from the study conducted by (Heale and Twycross, 2015). Validity refers to the extent to which a thought is accurately assessed in a quantitative survey. An instance of this would be a survey aimed to investigate depression, but instead evaluates anxiety, rendering it invalid. An examination that possesses content validity will encompass all the material taught in the course, placing particular attention on the areas that have been extensively covered or explored in more detail. Face validity is a component of content validity that involved seeking the expert judgment on whether an instrument accurately assesses the intended notion. The ultimate assessment of validity was determined by criteria validity. Criteria refers to any additional

tool used to assess the same variable. Correlations can be performed to ascertain the degree to which the various instruments assess the identical variable.

3.4.2 Reliability of Data Collection Instruments

Reliability pertains to the uniformity of a measurement. A person doing a tool designed to assess reliability must have consistent answers every chance the test is administered. While it is not feasible to provide a precise dependability calculation, an approximation of reliability can be obtained using various criteria (Heale & Twycross, 2015).

The reliability was evaluated by the utilization of item-to-total correlation, split-half reliability, Kuder Richardson coefficient, and Cronbach's α. Split-half dependability involves dividing the results of a test or instrument into two equal parts. Correlations was computed by comparing both halves. Strong correlations indicated a high level of dependability, whereas poor correlations suggest that the tool might not be dependable. The Kuder-Richardson measure is a more intricate iteration of the split-half test. This procedure involves calculating the mean of all potential splithalf splits and generating a correlation value ranging from 0 to 1. The accuracy of this test surpasses that of the split-half test, although it is limited to questions with only two likely responses, such as yes or no, 0 or 1. The number is 3. Cronbach's α is widely employed as a measure to assess the internal consistency of aa tool. This measures aims to calculate the mean of all correlations across every possible combination of split-halves. This test utilized tools instruments that contain questions with more than two possible replies. The Cronbach's α coefficient is a scalar value ranging from 0 to 1. A reliability score was considered since satisfactory it was 0.7 or above.

3.4.3 Reliability Analysis

According to (Taber, 2017) the calculated values significance to what is being assessed is usually taken as internal consistency or reliability. Most scholars agree that a value that is 0.7 or more than 0.7 is accepted and indicates enough or acceptable level.

Table 2 :Summary of Cronbach's alpha Reliability Coefficient

Variables	Number of Items	Cronbach's Alpha
Direct Debit	3	0.905
Card Payment	5	0.750
Mobile Payment	3	0.847
Internet Payment	4	0.804
Financial Performance	4	0.798

Source. Field Data, 2024

The outcomes this study reliability were presented in Table two above. The results are supported by (Taherdoost & Group, 2016) stating excellent reliability was indicated by (0.90 and above), high reliability was indicated by (0.70-0.90), moderate reliability (0.50-0.70) and low reliability (0.50 and below).

3.5 Data Collection Methods and Procedures

With the approval of the University supervisor, the researcher obtained permit of data collection from the authorities concerned within the government of Burundi to carry out data collection. Data was collected using questionnaires developed using five point Likert scale approach to questions. Each questionnaire was accompanied with an introduction letter and the authorization letter. In order to ensure that each of the respondents received, completes and returns the questionnaire, the researcher had planned to work closely with the respective employees of Interpetrol through whom

all the questionnaires were channeled. Once the questionnaires have been completed the researcher collected them from the respondents.

3.6 Proposed data analysis techniques and procedures

Data analysis is the process by which researchers use in evaluating data analytically and logically in examination of every element of provided data (Cooper & Schindler, 2014). This study used descriptive, correlation, and inferential statistics, whereby descriptive statistics examined percentages, frequencies, standard deviation and means while inferential statistics was examining the correlation, Regression analysis, and Analysis of Variance (ANOVA) between the study variables. This study used Statistical Package for Social Studies (SPSS) in analyzing the data and findings were displayed in tables and figures. Hayes & Darlington (2017) regression is a statistical method that identifies the linear link between two or more variables hence exhibits how change in one parameter happens with changes in another. The researcher was directed by the Model Regression Model as shown below. Source: Kothari (2007) The

linear regression model:

$Y = ß0 + ß\,1\,X1 + ß\,2X2 + \beta3\,X3 + \beta4\,X4 + e$

Y = Dependent Variable (Financial Performance)

X1 = Direct Debit

X2 = Credit Card

X3 = Mobile Banking

X4= Internet Banking

ß0 =constant.

ß1, ß2, ß3, β4, = Regression Standardized Co-efficient of Independent variables e

= error term,

3.8 Ethical Considerations

The study did not expose respondents to any harm, be it physical, emotional or psychological. Observance of Mount Kenya University requirements, the researcher obtained the Ethical Clearance Form from the postgraduate directorate to submit to Interpetrol to be allowed to collect Data. This study required participants to expose issues they feel are against their privacy, religious beliefs or which can lead to any harm on the part of the respondent. The researcher also applied the principles of non-circumvention, non-disclosure, confidentiality and anonymity.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1: Introduction

Chapter Four presents the findings of the researcher in an order in which objectives occur whereby the first section demographic features of the respondents will be presented. This chapter presents the research findings in a chronological order based on the objectives. The first section of the chapter presents the background information of respondents and the second section presents field findings. The discussions relevant to the findings are also provided.

4.2 Background Information

Table 3:Distribution According to Gender

	Frequency	Percent
Male	58	60.4
Female	38	39.6
Total	96	100.0

Source: **Field Data 2024**

This research was investigating the staff who worked for the Interpetrol Bujumbura, Burundi. Table 1 presents the gender in frequency and percentage. The results show that Male gender was at 60.4% and the female gender was 39.6%. From the findings one can tell that the Interpetrol Petroleum company was dominated by male gender as it is a reflection of the petroleum sector in Burundi especially in Bujumbura where the study took place.

Table 4:Distribution According to Age

	Frequency	Percent
18-30yrs	18	18.8
31-40yrs	32	33.3
41-50yrs	24	25.0

51-60yrs	22	22.9
Total	96	100.0

Source: **Primary Data 2024**

The study was to find out the age range of the respondents. Table 3 presents the findings showing that the biggest sample by age group was 31-40 years at 33.3% dominated the population of the Interpetrol people. They were followed by the age between 41-50 years at 25.0%, the age between 51-60 years came third at 22.9% and then followed by the age between 18-30years t 18.8%. This is an indication that the Interpetrol staff was comprised of variated population in terms of age and therefore, given the importance of age difference in the workplace in terms of implementation of technology, the age groups were well distributed. Hence, one can deduce that uptake of cashless payments in Interpetrol company is easy with the greatest number of population representation being young adults.

Table 5:Distribution According to Level of Education

	Frequency	Percent
Senior 6	4	4.2
Diploma	17	17.7
Undergraduate	30	46.9
Postgraduate	45	31.3
Total	96	100.0

Source: **Field Data 2024**

Table 4 was to establish the level of education for the respondents. The study revealed that the greatest number of the respondents at 46.9% were undergraduate who dominated the staff distribution by education level at Interpetrol company. Those respondents who had postgraduate level of education were 31.3% while those with Diploma level of education were 17.7% and with least level of education were 4.2% who dropped at Senior 6 level of education. Given the results were dominated by undergraduate and postgraduate respondents, it is clear enough that the

respondents were equipped enough to digest the information and give the required information for this study.

Table 6: Distribution According Position to

	Frequency	Percent
Senior managers	3	3.1
General managers	24	25.0
Supervisors	31	32.3
Junior staff	38	39.6
Total	96	100.0

Source: **Primary Data 2024**

Table 5 presents the results for positions of respondents in the organization. The majority of the respondents were junior staff at 39.6%, followed by supervisors at 32.3%, while general managers were 25% and senior managers were 3.1%. From the study, the junior staff were majority since they interacted with cashless payments regularly as compared to the other respondents. This was evidence enough that the information provided was reliable because most of the responses came from the group the group that was equipped with required information of the study. The study also avoided biasness since, respondents were drawn from different levels of management.

Table 7: Distribution According Experience

	Frequency	Valid Percent
0-2yrs	7	7.3
3-5yrs	33	34.4
5-10yrs	41	42.7
More than 10yrs	15	15.6
Total	96	100.0

Source: **Primary Data 2024**

The study was to find out the experience of respondents. Table 6 shows that the majority of the respondents had experience of 5-10years, 34.4% of the respondents had 3-5years, 15.6% of the respondents had experience of more than 10 years and a few of respondents at 7.3% had 0-2years of experience. Bearing the importance of experience in this study, the study shows that respondents were experienced enough, suggesting that they gave information that was deemed right for this study.

Table 8: Whether there is Use of Cashless Payments At Interpetrol

	Frequency	Valid Percent
Yes	74	77.1
No	16	16.7
Not Sure	6	6.3
Total	96	100.0

Source: **Primary Data 2024**

Table 4 shows that 77.1% of the respondents were aware that there was the use of cashless payments in their organization, 16.7% of the respondents stated there was no use of cashless payments used by Interpetrol company, and 6.3% were not sure if the cashless payments existed in their organization. From the findings, it is clear that there was use of cashless payments and this was important to the study since the study sought to find out if cashless payments influenced the performance of Interpetrol Petroleum Company.

Table 9:The commonly Used Cashless In Interpetrol

	Frequency	Valid Percent
Direct Debit	3	3.1

Credit Card and Debit Card	54	56.3
Mobile Money Payment	34	35.4
Internet Mode of payment	5	5.2
Total	96	100.0

Source: **Primary Data 2024**

The study sought to find out the use of cashless payments in Interpetrol company. Majority of the participants were in agreement that Credit card and debit cards were highly used by Interpetrol at 56.3% followed by mobile money payment at 35.4%, then internet mode of payment comes third at 5.2% while direct debit was rarely used at 3.1%. From the findings, the respondents noted that there was a greater use of credit and debit cards in Interptrol Company followed by use of mobile money payments. This is important for this study since, the two forms of payment are highly used in the petroleum sectors in Burundi.

4.3 Objectives

4.3.1: Effect Direct Debit Payment on financial performance of Interpetrol

Table 10 Effect Direct Debit Payment on financial performance of Interpetrol

	N	SD	D	N	A	SA	Mean	Std. Deviation
Our Company Allows the Use direct debit in the payments of its products	96	2	3	37	32	22	3.7083	0.91671
Direct debit payment is less costly to customers	96	5	7	32	37	15	3.5208	1.01545
Direct debit saves money for the company	96	6	4	36	31	19	3.5417	1.04546
Direct debit is easy to use for both and employees	96	8	2	31	38	17	3.5417	1.10422
Direct debit services are automated and no cash is required in the payment	96	1	9	37	29	20	3.6042	0.95674

Payments made through direct debit is faster and prompt	96	3	10	35	31	17	3.5104	1.00519
Direct payments services are available and functional in your outlet	96	2	3	31	39	21	3.7708	0.90005
Valid N (listwise)	96							

Source: **Field Data, 2024**

This survey was to establish if direct debit mode of cashless payment affected the financial performance of petroleum sector. The study outcomes were as presented in Table 9 show that company allows the efficient use direct debit in the payments of its products this was shown by a mean of 3.70 among all participants. Since the perspectives of respondent on this question did not significantly vary from each other, standard deviation of 0.916) illustrates that. As per respondents, direct payment is less costly to customers and hence boosting earnings as mean score indicated as 3.5 and supported by a standard deviation of 1.015 since the respondents did not broadly vary in their responses. Additionally, a mean score of 3.54 of respondents agreed that direct debit saves money for the company and since their point of views never differed, the standard deviation was at 1.04 as indicated in the table 9. Moreover, a mean score of 3.5 of respondents were opinion that direct debit is easy to use for both management and employees and a standard deviation of 1.10 was evidence enough the answers to this item did not divergently differ from each other's opinions. As per mean score of 3.60, the opinions of participants acknowledged that Direct debit services are automated and no cash is required in the payment of products at Interpetrol Company. A standard deviation of 0.95 demonstrates that there was a great deal for the use of automated direct debit services from the opinions of the respondents. The respondents additionally agreed that there're was promptness and fastness in paying through direct debit. This was illustrated by a mean

score of 3.5 among all participants. Considering that the perspectives of respondents on this question did not significantly vary from each other, the standard deviation of 1.00 illustrates that this is the case. The mean score of this question was 3.77, so one can conclude that direct payments services are available and functional in your outlet and a standard deviation of 0.90 can confirm that the respondents agreed that direct payments services are available and functional in your outlet. In the findings the respondents positively confirm that direct debit contributes to the financial performance of the Interpetrol Petroleum Company.

The findings were consistent to findings by (Davletshina & Nabieva, 2015) who investigated that debit credit amidst contemporary circumstances of the economic dangers is one of the highly significant elements of monetary strategy and guidelines of the organization, its market positioning and financial solidity. For enterprises running in the markets of various fields of the Russian Federation economy, the aspect of improvement of the debit debt management system is one of the highly regarded in the current world.

The findings were also consistent to those (Ofgem, 2009) reported that monthly direct debits were a significant means of energy payment. The report stated that 14.7M energy users, who used direct debits, allowed the energy costs outspread throughout the year and were regularly less costly that transactions through other ways of payments. For instance, in regard to suppliers, in comparison to arrears of quarterly billing, transactions through direct debits modes, offered higher reliability and promptness of transaction and some linked savings. This is recognized by the extensive discount offers for transaction through direct debit. Thus, there was a common interest in enabling efficient workability of direct debit plans.

4.3.2: Effects of Card Payment On the Financial Performance of Interpetrol

Table 11: : Effects of Card Payment On the Financial Performance of Interpetrol

	N	SD	D	N	A	SA	Mean	Std. Deviation
Cards are convenient and easy to use for both clients and employees	96	1	3	14	29	49	3.9688	1.14665
Cards are well embraced by your clients in paying for services and products in your firm	96	2	3	16	30	45	4.1771	0.96240
Majority of your clients prefer card payments as compared to cash payments	96	5	7	13	32	39	4.1250	1.07850
Payment through cards is secure and safe for both the management and clients	96	4	4	14	28	46	4.0625	1.09364
The cards are cheap for your clients in paying services and product	96	5	3	15	31	42	3.9688	1.06082
Cards are time saving and convenient to use in transactions.	96	3	6	20	31	36	4.0833	1.01221
Customers use cards to pay for products in your firm.	96	2	5	18	29	41	4.2708	0.9005
Valid N (listwise)	96							

Source: **Primary Data 2024**

The study sought to find out if use of card payments affected the financial performance of petroleum firms in Burundi. Table 10 presents positive results as follows; when respondents asked if cards are convenient and easy to use for both clients and employees, a mean score of 3.96 agreed to that question, a standard deviation of 1.14 shows there was no significant variation across all respondents in their opinion. According to the respondents agreed cards are well embraced by their company clients in paying for services and products in your firm with a mean score 4.17, with a

standard deviation of 0.96 illustrating less difference in their perspectives. The mean score of 4.12 illustrates a broad agreement across all participants, with a standard deviation of 1.078 showing less minimal differentiation in their view points. As per the mean score of 4.12, the viewpoints of respondents exposed that the majority of their clients preferred paying through cards to cash payments. A standard deviation of 1.078 was a proof enough there was no a significant difference in respondent's opinions. A mean score of 4.06 illustrated that the participants concurred that payments through cards were safe and secure for both management and clients. The evidence that the standard deviation was 1.093, illustrated that the feedbacks to this statement did not notably differ from each other in their opinions. The mean score of 3.96 illustrated that cards were cheap to clients when paying for services and products in Interpetrol Company. The evidence that the standard deviation was 1.060 illustrated that the answers to this study did not materially vary from each other in their point of views. A mean score of 4.08 of the respondents also concurred that cards are time saving and convenient to use in transactions. The fact that standard deviation was 1.012 concluded that the respondent's responses did not diverge from each other in their perspectives. Finally, a mean of 4.27 accepted that customers use cards to pay for products in Interpetrol petroleum company a mean of (mean4.27, stdv0.90). From the findings, the respondents agreed that cards were efficiently used in making payments in Interpetrol Company and that improved the yields since there were no rooms for cash transactions which are prone to fraud.

This study was similar to that of (Wanjiku, 2024) who carried out on impact of debit cards on financial performance of listed commercial banks in Kenya. Using regression analysis, the survey established that there was an increase in the use of debit card enhances the profitability banks in form of ROA over a period of 2009 to 2019. The findings also indicated that there was cost

reduction and convenience improved among the users of debit and credit cards. Hence, this lured potential clients resulting to boosted sales and profits.

A similar study by (Mugo, Muathe , & Waithaka, 2019) to find out if credit and debit cards affected the business financial performance and established that; through a different agents, successful models of information systems, and theories of task-technology fit used to elaborate financial performance, the research revealed a positive influence of services of Saccolink on the financial performance of Deposit-taking Kenya SACCOs. Hence, suggests progressive use of debit cards of Saccolink and an improvement of their aspects with the Deposit-Taking SACCOs in Kenya.

Another similar study by (Chelangat, Kiprop, & Mutai, 2022) to find out a connection of card payments and financial performance of commercial banking sector of Kenya. The research applied secondary data gathered from 42 commercial banks for a duration of 10years yearly financial reports for the years between 2011 and 2020. The information was analyzed by descriptive analysis and panel model. The findings indicated that debit card on ATM had a statistically positive link with Return on Assets at 5% level of significance. The credit card of ATM and Point of Sales(POS) machines were also significantly connected to Return on Assets.

4.3.3: Effects of Mobile Money Payment on Financial Performance of Interpetrol

Table 12 Effects of Mobile Money Payment on Financial Performance of Interpetrol

	N	SD	D	N	A	SA	Mean	Std. Deviation
Your firm allow payments of services and products through mobile money transactions	96	3	3	17	32	41	4.0938	1.00607

Payment through mobile phones is secure an guarantee safety for money	96	3	3	17	33	40	4.0833	1.00175
Paying through mobile is less costly for the clients	96	4	2	16	31	45	4.1146	1.03486
The use of Mobile Money reduces the perceived risks of carrying cash	96	3	2	20	29	42	4.1042	0.97850
The use of mobile transactions reduces fraud and misappropriation of Funds in the firm	96	1	3	22	32	38	4.0729	0.92047
The clients are served fast by use of mobile money payments as compared to cash transactions	96	3	4	21	34	35	3.9583	1.01480
Mobile money use is highly accepted by both clients and employees in your home	96	2	2	24	44	24	4.5208	1.28947
Valid N (listwise)	96							

Source: **Field Data 2024**

The study sought to establish if mobile money payments affected the financial performance of the petroleum sector in Burundi. Table 11 shows the results as follows; a mean score of 4.09 of the respondents that their firm allowed payments of services and products through mobile money transactions. The fact that standard deviation was 1.006 acknowledged that there was no substantial divergence of respondents' responses in their opinions. A mean score of 4.08 of respondents agreed that payments through mobile phones is secure a guarantee safety for money and a standard deviation of 1.001 was a proof enough there was no notable difference in the responses of respondents in their perspectives. Additionally, a mean score of 4.11 concurred that paying through mobile was less costly for the clients and a standard deviation of 1.034 illustrated that there was no notable variation in the answers of the respondents in their point of views. A mean score of 4.10 of the respondents consented that the use of mobile money transactions reduced the perceived risks of carrying cash while a standard of 0.978 suggested that there were no

recognizable divergent opinions of respondents in their responses. Moreover, a mean score of 4.07 of respondents consented that the use of mobile transactions reduced fraud and misappropriation of funds in their firm, and the proof that standard deviation was 0.920 indicated that there was no much difference in the responses of the respondents' point of views. Furthermore, a mean score of 3.95 the respondents were in agreement that clients were served fast by use of mobile money payments as compared to cash transactions. A proof of standard deviation of stdv1.014 suggested that there was no notable differentiation in the respondents' responses in each other views. Lastly, the mean score of 4.50 of respondents agreed that mobile money use is highly accepted by both clients and employees in your home. The fact that the standard deviation was 1.289 was a proof that the answers of respondents were not significantly differed from each other perspectives. From the findings, there was some positive responses from the respondents which is a show of a strong link between mobile money payments and the financial performance of petroleum sector of Burundi.

These results were consistent to those by (Gahapa & Tengeh, 2020) who did a study on impact of payments using mobile money on small and medium enterprises(SMEs) financial performance in Cameroon. The study used a sample of 285 small and medium enterprises and purposively chose 12 managing directors/ Owners in the personal interviews participation. The findings were later triangulated for transparency basis.

Another study by (Sayid, Omar, & Jomo, 2016) who did a study to find out if SMEs financial performance was positively affected by mobile money payment. The study was derived from a sample of 146 small and medium enterprises in Bakara market, where purposive sampling method was applied. The study applied both descriptive and inferential analysis. The findings of the research exposed a significant link between mobile money transfer and SMEs financial

performance. On the grounds of this study, it was concluded that there was a significant impact between mobile money transaction and SMEs financial performance.

4.3.4: Effects of Internet Payments on Financial Performance of Interpetrol

Table 13: Effects of Internet Payments on Financial Performance of Interpetrol

	N	SD	D	N	A	SA	Mean	Std. Deviation
Internet payment is used in your firm by clients to make payments	96	4	3	20	39	30	3.9167	1.01221
Internet payment is embraced by your clients and is preferred to Cash Payments	96	1	4	30	41	20	3.7813	0.86088
Internet payments have reduced fraud and corruption in your firm	96	2	5	24	43	22	3.8229	0.92900
Clients prefer internet payments since they are affordable	96	4	4	26	38	24	3.7708	1.01025
It is easy to use internet to make payments	96	2	1	29	37	27	3.8854	0.89289
Use of internet payments guards customers guards customer data	96	3	4	31	36	22	3.7292	0.96768
Internet payment is less costly to maintain for your firm as compared to cash payments	96	2	2	30	39	23	3.8229	0.89437

Source: **Field Data,2024**

The study was to establish whether internet transactions affected the financial performance of petroleum companies in Burundi. From the results it is clear that paying through internet affected the financial performance of Interpetrol company because the results variables used were above 3.5 Likert's scale. The results are presented in Table 12 as follows; a mean score of 3.781 of respondents agreed that the internet payment was used in your firm by clients to make payments

and the fact that the standard deviation was 1.012 indicated that there were no notable divergent opinions of respondents. Mean score of 3.78 of respondents felt that that internet payment was well embraced by the clients and was preferred to cash payments. The standard deviation of 0.860 was evidence enough there was no a significance difference in the responses the respondents gave to the question in their perspectives. Moreover, a mean score of 3.82 agreed that internet payments have reduced fraud and corruption in the firm, and the fact that a standard deviation of 0929 suggested that the respondents' responses did not notably diverge from each other on their perspectives. Additionally, a mean score of 3.770 of participants were preferring internet payments since they are affordable, and the evidence that standard deviation was 1.010 illustrated there was no significant variation in answers to the question to the opinions of the respondents. A mean score of 3.88 participants also concurred that it was easy to use internet to make payments. A proof that a standard deviation was 0.892 was evident enough the participants' responses did not vary in their perspectives. A mean score of 3.729also consented that the use of internet payments guard customer data, and a standard deviation of 0.967 was evident enough there was no substantial variation in the answers of the respondents in their opinions. Finally, a mean score of 3.822 agreed that the internet payment was less costly to maintain for your firm as compared to cash payments, leading to high returns and profitability of the firm, and the fact that the standard deviation of 0.89437 illustrated that there was no significant divergent in the opinions of respondents. Hence, the study concluded that there was a significant relationship between internet payments and financial performance of SMEs.

The findings were in consistence with the results finding by (Sakanko & David, 2019). They did study that researched the effect of electronic payment modes on the microfinances in Niger state in Nigeria. The findings showed that having e-payment structures in the banking institutions

presented an overwhelming acknowledgement, because of it convenient and ease of use. The results also exhibited presence of significant impact on the use of internet payment mode, mobile banking modes, e-payment cards and ATM machines on financial management of MFIs. The recommendations were made to improve and assess the electronic payment platforms safety to motivate more consumers with the fees decrease liked to the use of these modes as well as informing of prospective consumers.

Another study by (Keumala, Suryaningsih, & Kuraesin, 2023)is consistent to this survey. The aim of this research was to interrogate empirical proof of the impact of internet payments, venture capital and utilization of accounting information systems on the MSMEs financial performance in Jakarta. The study applied causal study design and the research used purposive sampling to get a sample of 120 participants. The review of applied used multiple linear regression. The findings of the research illustrated that there was a positive effect of internet payments, business capital and AIS on financial performance of MSMEs. The study indicated that partly, internet payments showed a significant impact on financial performance.

4.3.5 Correlation

Table 14 Correlation

		Direct Debit	Card payment	Mobile Money	Internet	Financial Performance
Direct Debit	Pearson Correlation	1	.984**	.988**	.980**	.875**
	Sig. (2-tailed)		0.001	0.002	0.003	0.002
	N	96	96	96	96	96

Card Payment	Pearson Correlation	.984**	1	.996**	.996**	.868**
	Sig. (2tailed)	0.001		0.002	0.010	0.000
	N	96	96	96	96	96
Mobile Moneey	Pearson Correlation	.988**	.996*	1	.992**	.872*
	Sig. (2tailed)	0.002	0.001		0.002	0.001
	N	96	96	96	96	96
Internet payment	Pearson Correlation	.980**	.996**	.992**	1	.868**
	Sig. (2tailed)	0.003	0.002	0.001		0.000
	N	96	96	96	96	96
Financial Performance	Pearson Correlation	.875**	.868**	.872**	.868**	1
	Sig. (2tailed)	0.002	0.001	0.004	0.000	
	N	96	96	96	96	96

*Correlation is significant at the 0.05 level (2-tailed)

**. Correlation is significant at the 0.01 level (2-tailed)

Source: **Field Data, 2024**

As illustrated in Table 13, the results showed a significant relationship between cashless payments and profitability. The findings indicate a positive correlation between direct debit payments and profitability (r =.984**, p= 001), ROE (r.=988**, p=.002), ROA (r=.980**, p= 0.30) and EPS (r=.875**, p0.002) given the value of p were <0.05and <0.01. There was a positive correlation between card payments and profitability (r=.988**, p=0.002), ROE (r=.996*, p=0.001), ROA (r=.992**, P =0.002) and EPS (r=.872*, p=0.001) given that the P values were<0.005and <0.01. There was also a significant relationship between mobile money payment and profitability (r.=.980**, p=0.003), ROA (r=.996**, p=0.002) ROE, (r=.996**, p=0.002) and EPS (r=.868*, p=0.000). There was a significant positive correlation between internet payment and profitability (r=.875**, p=0.002), ROA (r=.868**, p=0.001), ROE, (r=.872*, p=0.004) and EPS (r=.868*,

p=0.000) given that P values were <0.05and 0.01). It is clear from the findings that there is a perfect positive relationship between cashless payments and financial performance of Interpetrol Company in Burundi as majority of the respondents agreed showed a strong agreement to the statement.

4.4: Regression Analysis

4.4.1: Model Summary analysis; Profits

Table 15: Summary Model analysis of Profits Model R R Square Adjusted R Std. Error of the

		Square	Estimate
1 .953[a]	0.909	0.905	0.34473

a. Predictors: Direct Payment, Card payments, Mobile money payments

Source: **Field Data, 2024**

Table 14 illustrates R indicating the correlation between independent and dependent variables. R in this instance is .953 whereby in this instance it is greater than 0.4 and this indicates that there was a positive connection between profitability (dependent variable and the direct debit payment, card payment, mobile money payment and internet payment (independent variables). When R square is bigger than 0.5, it illustrates that the model is logical enough to confirm a relationship between dependent and independent parameters. The results suggest that cashless would positively and significantly impact on profitability, ROA, ROE and EPS of petroleum industries.

4.4.2: ANOVA for Profitability Table 16: ANOVA Analysis

Model	Sum of Squares	Df	Mean Square	F	Sig.

1	Regression	107.686	4	26.921	.226.535	.000[b]
	Residual	10.814	91	0.119		
	Total	118.5	95			

a. Dependent Variable: Return on Equity Rose

b. Predictors: (Constant) Predictors: Direct Payment, Card payments, Mobile money payments

Source**: Field Data, 2024**

Table 15 illustrates the F-test of the ANOVA findings with F=.95 and .225 the test of degrees of freedom, illustrating that the test was statistically positive, and was hence presumed that there was a linear connection between independent and dependent variables in the model. The result of 0.000 probability was an indication that the model was statistically positive in prediction of impact of cashless payments on profitability of petroleum firms in Bujumbura Burundi given that the p value was<0.005 and <0.001.

4.4.2: Coefficients Analysis of Profits

Table 17:Coffecients

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
	B	**Std. Error**	**Beta**		
1 (Constant)	0.625	0.196		1.868	0.001
Direct debit payment	0.288	0.096	0.262	3.009	0.003
Card payments	0.356	0.082	0.307	4.364	0.000
Mobile Money Payment	0.355	0.042	0.32	8.434	0.002
Internet Payment	0.264	0.099	0.203	2.674	0.009

a. Dependent Variable: Increased Gross profit margin

Source: **Field Data**

The regression model obtained from Table 16 was as follows

$Y=0.625+0.288X_1 +0.356X_2+0.355X_3+0.264X_4 + e$. Where Y is Profitability; X_1 is direct debit, X_2 is Card payment, X_3 is mobile money payment, and X_4 is internet payment e was the level of significance. The level of significance of the independent variables was less than 0.05($p<0.05$) which illustrates the effect of independent variables to the financial performance. The level of significance was; direct debit payment (0.003), Card payment (0.000), mobile money payment (0.002) and, internet payment (0.009). This regression model offered a statistical control via which the research found out the effect of every predictor variable. For this research, maintaining all variables at zero will cause a significant effect of 0.625, on profitability. Change in unit in direct debit would resulted to an increase on profitability 0.288 and an improvement in card payment would lead into a rise in profitability 0.356, while a boost in mobile money payment resulted to an increase in profitability 0.355 and increment on internet payment resulted to improvement of profitability 0.264. These findings also illustrated that the coefficients for every independent variable were non-zero. This is an indication that all the independent indicators affected the financial performance.

4.4.3 Model Summary Analysis of Return on Equity

Table 18:Model Summary Analysis; Return on Equity

Model	R	R Square	Adjusted R	Std. Error of the Estimate
1	.913[a]	0.833	0.825	0.47744

a. Predictors: (Constant), Predictors: Direct Payment, Card payments, Mobile money payments

Table 17 shows R illustrating the correlation between independent and dependent variables. R in this instance is .913 whereby in this case it is greater than 0.4 and this indicates that there was a positive connection between Return on Equity (dependent variable and the direct debit payment, card payment, mobile money payment and internet payment (independent variables). When R square is bigger than 0.5, it illustrates that the model is logical enough to confirm a correlation between independent and dependent parameters.

4.4.4 ANOVA Analysis of Return on Equity

Table 19:ANOVA Analysis; Return on Equity

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	103.215	4	25.804	.684	.000[b]
	Residual	20.743	91	0.228		
	Total	123.958	95			

a. Dependent Variable: Return on Equity

b. Predictors: (Constant) Predictors: Direct Payment, Card payments, Mobile money payments

Table 18 shows the F-Test of the ANOVA findings on Return on Equity with F=.95 and .684 degrees of freedom of the test, indicating that the test was significantly positive, and hence presumed that there was a linear correlation between independent and dependent variables of the study. The possibility of .000 illustrated that the model was fit in prediction of the influence

of cashless payment on the ROE of Interpetrol Company given that the P value is < 0.05 and < 0.01.

4.4.5 Coefficients Analysis of Return on Equity

Table 20: Coefficients; Return on Equity

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.661	0.231		7.198	0.000
	Direct debit payment	0.362	0.122	0.322	2.980	0.004
	Cards Payments	0.276	0.201	0.233	1.374	0.001
	Mobile Money Payments	0.237	0.203	0.203	1.167	0.002
	Internet payments	0.267	0.134	0.193	1.772	0.008

a. Dependent Variable: Return on Equity

Source: **Field Data**

The regression model derived from Table 4.22 was as follows:

Y= 0.661+ 0.362X1 + 0.276X2 + 0.237X3 + 0.267X4, Where Y is Return on Equity; X1 is Direct Debit Payment; X2 is Card Payment, X3 Mobile Money Payment, X4 Internet Payment. The level of significance of level of the independent variables was less than 0.05 (P<0.05) which elaborates influence of cashless payments to the ROE. The level of significance was Direct Debit payment (0362), Card Payment (0.276), Mobile Money (0.237), and Internet Payment (0.267). The regression model offered a statistical control via which the study revealed the influence of every predictor variable. For this survey, when all variables are held at zero will cause a significant impact of 0.661on ROE. A change in unit of direct debit would lead to 0.032 increase on ROE when all other independent variables are decreased to zero, a change in unit of card payment would lead to 0.023 increase in ROE when all other independent variables are decreased to a zero, a change in unit mobile money payment would lead to 0.0203 increase in ROE when all independent variables are held constant at zero, and finally a change of unit in internet payment would lead to 0.019 increase in ROE when all other independent variables are held constant. The findings illustrated that the coefficients for every independent variable were non-zero. Hence, one can conclude that all independent variables affected the ROE.

4.4.6 Model Summary Analysis of Return on Assets

Table 21: Model Summary Analysis ; Return on Assets

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.907[a]	0.822	0.815	0.48848

a. Predictors: (Constant), Predictors: Direct Payment, Card payments, Mobile money payments Source: **Field Data**, **2024**

In addition, a regression analysis was done to confirm if there is a significant correlation between cashless payments (direct debit, card payments, mobile money payments, and internet payments) and return on equity. Table 20 shows findings that elaborates the regression between cashless payments and financial performance of petroleum firms in Burundi. The findings indicate a relationship value (R) of 0.907 which illustrates a linear link between independent variables. Table 20 illustrated that the R^2 = 0.822, confirming that 82.2% of financial performance would be attributed to cashless payments leaving only 17.8 % of the difference in the independent variable to be based on other variables other than cashless payments.

4.4.7: ANOVA Analysis of Return on Assets

Table 22: ANOVA Analysis of Return on Assets

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	100.525	4	25.131	105.321	.000[b]
	Residual	21.714	91	0.239		
	Total	122.240	95			

a. Dependent Variable: Return on Assets

b. Predictors: (Constant) Predictors: Direct Payment, Card payments, Mobile money payments

The F-test in the ANOVA Table 21 measures if the whole regression analysis was a proper fit for the data. Table 21 indicates that the independent variables (Direct Payment, Card payments, Mobile money payments) are positively significant in prediction of dependent variable (ROA) F (4,91) =25.131), p<.000)

This can be interpreted that the regression model was a good fit for the data.

4.4.8: Analysis of Coefficients for Return on Assets

Table 23: Coefficients; Return on Assets

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	78.89	0.224		1.765	0.000
	Direct payment	0.212	0.231	0.50	0.920	0.030
	Cards payment	0.546	0.101	0.788	5.408	0.000
	Mobile money payment	0.637	0.010	0.622	0.473	0.040
	Internet payment	0.352	0.233	0.578	1.514	0.013

a. Dependent Variable: Return on Assets

b. The regression model extracted from Table 19 was as illustrated below:

$Y=78.89+ 0.212 X_1+0.546 X_2+0637 X_3+0.352 X_4+e$, where Y is earning per share, X_1 is direct debit payment, X_2 was card payment, X_2 was mobile money payment, X_4 was internet payment while e was level of significance. The independent variables were as follows; direct debit payment, (p=0.03), card payment (p=0.000, mobile money payment(p=0.004), and internet payment (p=0.013). Therefore, the study revealed that the model was fit in prediction of effect of cashless payments on ROE of petroleum sector in Burundi given that the P values were less than 0.05 and less than 0.001. The coefficient analysis showed that an increase in use of direct debit attributed to increase in 50% Return on Equity and the t-statistic value (0.92) showed that influence was

statistically significance at the 95% confidence level. An increased use of card payment was attributed to the 78.8% increase of ROE and t-statistic value of (5.408) concluded that effect was statistically significant at the confidence level of 95%. It was also noted that, a rise in the use of mobile money payment use was attributed to the 62.2% improvement in ROE and t-statistic value of (0.473), an illustration that the impact was statistically significant at the 95% confidence level. The results also noted that an improvement in usage of internet payment led to a 57.8% increased ROE and t-statistic of (1.514), a confirmation that improvement in internet payment was attributed to improvement of ROE. Meaning that the effect was statistically significant at the confidence level of 95%. Table 22 illustrated a positive link between cashless payment and ROE. thus, this is an explicit indication that is there is a significant relationship between cashless payment and financial performance of petroleum firms in Burundi.

4.4.9 Model Summary Analysis of Earnings Per Share

Table 24: Model Summary ; Earnings Per share

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.924[a]	0.854	0.848	0.44956

a. Predictors: (Constant), Predictors: Direct Payment, Card payments, Mobile money payments

Source: **Field Data,2024**

A regression analysis was conducted to confirm if there is a significant correlation between cashless payments (direct debit, card payments, mobile money payments, and internet payments) and Earnings per Share Table 23 shows results that explains the regression between cashless payments and financial performance of petroleum firms in Burundi. The findings indicate a relationship value (R) of 0.924 which illustrates a linear link between independent

variables. Table 23 illustrated that the R^2 = 0.854, concluding that 85.4% of financial performance would be attributed to cashless payments leaving only 14.6 % of the difference in the independent variable to be attributed to other variables other than cashless payments.

4.4.10 Analysis of ANOVA; Earnings Per Share

Table 25: ANOVA; Earnings Per Share

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	107.848	4	26.962	133.409	.000[b]
Residual	18.391	91	0.202		
Total	126.240	95			

a. Dependent Variable: Earnings Per Share

b. Predictors: (Constant) Predictors: Direct Payment, Card payments, Mobile money payments

Findings reveal that cashless payments are significantly positive in illustrating financial performance in petroleum firms in Burundi. An F-test was carried out to assess the objective if there was a link between cashless payments and the petroleum firms in Burundi financial performance. The F-test in the ANOVA Table 24 assesses if the entire regression analysis was a proper fit for the data. Table 24 shows that the independent variables (Direct Payment, Card payments, Mobile money payments) are statistically positive in prediction of dependent variable (EPS) F (4,91) =26.962), p<.000)

This can be interpreted that the regression model was a good fit for the data.

4.4.11: Analysis of Coefficients; Earnings Per Share

Table 26: Coefficients; Earnings Per Share

Model	Unstandardized Coefficients		Standardized t Coefficients		Sig.
	B	Std. Error	Beta		
1 (Constant)	1.777	0.225		7.914	0.000
Direct Debit Payment	0.489	0.129	0.406	3.778	0.000
Cards payment	0.259	0.124	0.216	2.080	0.040
Mobile Money Payment	0.349	0.128	0.307	2.718	0.008
Internet payment	0.049				
a. Dependent Variable: Earnings per share increased		0.150	0.370	0.330	0.007

A t-test was also conducted to measure if there is a positive relationship between cashless payment and Earnings per share of petroleum firms in Burundi. The regression coefficients table 25 illustrates that at 95% confidence level, cashless payments had a positive influence on financial performance. Direct debit (β = .406, t= 3.980, p = .000), card payments (β = .216, t= 2.080, p = .040), Mobile Money payment β = .307, t= 2.718, p = .008), and Internet payments (β = .370, t= 0.330, p = .007). The findings in Table 25 illustrate a positive link between cashless payment and ROE of petroleum firms in Burundi. The findings clearly indicate that is there is a significant relationship between cashless payment and earnings per share of petroleum firms in Burundi.

CHAPTER 5 : SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter discusses summary of the findings, conclusions drawn from the study, recommendations that are guided by the study findings and suggestions for further study.

5.1 Summary of the Findings

Out of 96 questionnaires and luckily al 96 questionnaires were returned and therefore, there was 100% response rate. In summary, 77.1% of the respondents were aware that there was use of cashless payments in their petroleum firm, 16.7% of the respondents stated there was no use of cashless payments used by Interpetrol company, and 6.3% were not sure if the cashless payments existed in their organization (see Table 4). Therefore, respondents were knowledgeable enough to respond to the questions asked to give required information for the study.

The study also to found out there was use of cashless payments in Interpetrol company. Majority of the respondents agreed that Credit card and debit cards were highly used by Interpetrol at 56.3% followed by mobile money payment at 35.4%, then internet mode of payment comes third at 5.2% while direct debit was rarely used at 3.1% (ref Table 5). Hence, the case study was appropriate this study.

5.1.1 Effect Direct Debit Payment on financial performance of Interpetrol

This survey was to establish if direct debit mode of cashless payment affected the financial performance of petroleum sector. The study outcomes were as presented in Table 9 show that company allows the efficient use direct debit in the payments of its products this was shown by a mean of 3.70 among all participants. As per respondents, direct payment is less costly to customers and hence boosting earnings as mean score indicated as 3.5. Additionally, a mean score of 3.54 of

respondents agreed that direct debit saves money for the company and since their point of views never differed. Moreover, a mean score of 3.5 of respondents were opinion that direct debit is easy to use for both management and employees. As per mean score of 3.60, the opinions of participants acknowledged that Direct debit services are automated and no cash is required in the payment of products at Interpetrol Company. The respondents additionally agreed that there're was promptness and fastness in paying through direct debit. This was illustrated by a mean score of 3.5 among all participants. The mean score of this question was 3.77, so one can conclude that direct payments services are available and functional in your outlet. In the findings the respondents positively confirm that direct debit contributes to the financial performance of the Interpetrol Petroleum Company. Hence one can would state that the use of direct debit mode of payment has a positive influence to the financial performance of Interpetrol Petroleum Company.

5.1.2 Effect of Card Payment on Financial Performance of Interpetrol Company

The study sought to find out if use of card payments affected the financial performance of petroleum firms in Burundi. Table 10 presents positive results as follows; when respondents asked if cards are convenient and easy to use for both clients and employees, a mean score of 3.96 agreed to that question. According to the respondents agreed cards are well embraced by their company clients in paying for services and products in your firm with a mean score 4.17. The mean score of 4.12 illustrates a broad agreement across all participants. As per the mean score of 4.12, the viewpoints of respondents exposed that the majority of their clients preferred paying through cards to cash payments. A mean score of 4.06 illustrated that the participants concurred that payments through cards were safe and secure for both management and clients. The mean score of 3.96 illustrated that cards were cheap to clients when paying for services and products in Interpetrol

Company. A mean score of 4.08 of the respondents also concurred that cards are time saving and convenient to use in transactions. Finally, a mean of 4.27 accepted that customers use cards to pay for products in Interpetrol petroleum company. From the findings, the respondents agreed that cards were efficiently used in making payments in Interpetrol Company and that improved the yields since there were no rooms for cash transactions which are prone to fraud.

5.1.3 Effects of Mobile Money on Financial Performance

The study sought to establish if mobile money payments affected the financial performance of the petroleum sector in Burundi. Table 11 shows the results as follows; a mean score of 4.09 of the respondents that their firm allowed payments of services and products through mobile money transactions. A mean score of 4.08 of respondents agreed that payments through mobile phones is secure a guarantee safety for money. Additionally, a mean score of 4.11 concurred that paying through mobile was less costly for the clients A mean score of 4.10 of the respondents consented that the use of mobile money transactions reduced the perceived risks of carrying cash. Moreover, a mean score of 4.07 of respondents consented that the use of mobile transactions reduced. Furthermore, a mean score of 3.95 the respondents were in agreement that clients were served fast by use of mobile money payments as compared to cash transactions. Lastly, the mean score of 4.50 of respondents agreed that mobile money use is highly accepted by both clients and employees in your home. From the findings, there was some positive responses from the respondents which is a show of a strong link between mobile money payments and the financial performance of petroleum sector of Burundi.

5.1.4 Effect of Internet Payment on Financial Performance

In this study, respondents asked whether internet transactions affected the financial performance of petroleum companies in Burundi. The results were as follows; An overall mean score of this study was 3.82 where the respondents agreed to all responses of the questions asked about internet payment. Where the respondents agreed that payments via internet were used in Interpetrol Company, they also agreed that internet payment was well embraced by the clients and was preferred to cash payments and they additionally felt that internet payments had reduced fraud and corruption in the firm by a good percentage. The respondents also felt clients preferred internet payments since they are affordable Participants also concurred that it was easy to use internet to make payments. They also consented that the use of internet payments guard customer data and the internet payment was less costly to maintain in their firm as compared to cash payments leading to high returns and profitability of the firm. Hence, the study concluded that there was a positive relationship between internet payment and financial performance of SMEs.

5.1.5 Correlation Between Cashless Payments and Financial Performance of Interpetrol

This part was find out if there was correlation between cashless payments and financial performance of Petroleum sector in Bujumbura, Burundi. A simple correlation analysis was carried out to establish the relationship between Cashless Payments (Direct Debit, Card Payment, Mobile Money payment, Internet Payment and Financial Performance (Profitability, ROE, ROA, and EPS). The findings indicate a positive correlation between direct debit payments and profitability (r =.984**, p= 001), ROE (r.=988**, p=.002), ROA (r=.980**, p= 0.30) and EPS (r=.875**, p0.002) given the value of p were <0.005and <001. There was a positive correlation between card payments and profitability (r=.988**, p=0.002), ROE (r=.996*, p=0.001), ROA (r=.992**, P

=0.002) and EPS (r=.872*, p=0.001) given that the P values were<0.005and <0.01. There was also a significant relationship between mobile money payment and profitability (r.=.980**, p=0.003), ROA (r=.996**, p=0.002) ROE, (r=.996**, p=0.002) and EPS (r=.868*, p=0.000). There was a significant positive correlation between internet payment and profitability (r=.875**, p=0.002), ROA (r=.868**, p=0.001), ROE, (r=.872*, p=0.004) and EPS (r=.868*, p=0.000) given that P values were <0.005and ,0.001). It is clear from the findings that there is a perfect positive relationship between cashless payments and financial performance of Interpetrol Company in Burundi as majority of the respondents agreed showed a strong agreement to the statement.

A regression analysis was also carried out to ascertain if cashless payments affected financial performance of Petroleum Sector in Burundi. The dependent variable (profitability, ROA, ROE and EPS) were regressed against independent variables (cashless payments) and results were documented in tables 14-25. Therefore, from the regression analysis, the study concluded that there was a significantly positive relationship between cashless payments and financial performance of petroleum firms in Burundi.

5.2 Conclusions

The main focus of the study was to find out if cashless payments influenced Financial Performance of petroleum sector in Burundi. From the findings one can conclude that cashless payments were popular in Burundi and that many organizations are embracing them. The study can conclude that since the world is moving to the modernity and technology, many organizations are keeping abreast with the new technology and this explains why petroleum sector in Burundi has embraced cashless payments.

Direct debit payments had a positive and significant relationship with financial performance of the

Interpetrol Petroleum Company, therefore together with factors not mentioned in the study contributed to the Gross profit margin, return on Equity, Return on Asset and Earnings per share of the company.

Similarly, Card Payment influence had a significantly positive relationship with financial performance of Interpetrol Petroleum Company and seems to be mostly preferred to other forms of cashless payments used in the company probably because of its popularity in many companies in Bujumbura Burundi. Cards were also seen as portable and faster to use. Therefore, one can conclude that cards payment with other factors not mentioned in the study contributed to the financial performance of Interpetrol Petroleum Company.

In addition, Mobile Money payments were also revealed to have a significantly a positive relationship with financial performance of Interpetrol Petroleum Company. This revelation showed that there is a great liking of mobile payments since one required a phone and a sim card to be activated with mobile money providers to allow payments via phones. One may conclude that this form of payment is liked since it offers an easy way of making payments. One can also conclude that with other factors not studied in this research Mobile Money payment help in increasing financial performance of Interpetrol Petroleum Company.

Finally, the findings revealed that there was a positive and significant relationship between Internet Payment and financial performance. The study revealed that internet was the least popular mode of payment probably because internet supply is very week in most parts of Burundi. Again Internet payment require smart phones or other gadgets to enable it thus making it less popular. However, it was seen to be effective mode of payment since it is cheaper mode payment and faster if internet is available.

5.3 Recommendations

It is clear from the results that cashless payments affected financial performance of petroleum firms in Burundi. Therefore, the study recommends that management of petroleum firms should embrace the new payment methods since they were seen as reliable and convenience to both business and clients. The study has revealed Cashless payments are cutting costs for businesses and consumers too and therefore, they are becoming preferred means of payment for petroleum sector. Thus, the study recommends that the owners and management should improve these means of payment to attract more clients and this translates to attracting business to the firms.

The research also recommends that petroleum sector in Burundi to take advantage of new business opportunities that come with new technologies such as cashless payments since they present a good platform for business competiveness and growth.

5.4 Suggestion for further research

This study was only done in Bujumbura city in Burundi and it concentrated on Interpetrol Petroleum company since they are biggest oil company in Burundi. Therefore, the research can be extended to other areas of Burundi and find out if the same results will be realized. The study can also be extended to other enterprises in Burundi, different from petroleum sector to find out, if similar results will be yielded.

Due to the limitation of time, the study did not evaluate other intervening variables like government control, the acceptability of cashless payments, the internet availability, flexibility to adopt change, the penetration of technologies in Burundi and affordability of these technologies that may affect financial performance of petroleum sector. Hence, other areas of research may concentrate on finding out how will these variables affect financial performance of petroleum firms in Burundi.

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APPENDICES

APPENDIX I: CONSENT FORM FOR PARTICIPATION IN RESEARCH

TITLE OF STUDY

Dear Participant,

I invite you to participate in a research study entitled *ANALYSIS OF CASHLESS PAYMENT ON FINANCIAL PERFORMANCE OF PETROLEUM INDUSTRY IN BURUNDI.* I am currently enrolled in the School of Business and Economics, Department of Accounting and Finance at Mount Kenya University and am in the process of writing my Master's project. The purpose of the research is to determine: (the influence of the cashless payments on financial performance of petroleum industry in Burundi)

The enclosed questionnaire has been designed to collect information on: ----------

Your participation in this research project is completely voluntary. You may decline altogether, or leave blank any questions you don't wish to answer. There are no known risks to participation beyond those encountered in everyday life. Your responses will remain confidential and anonymous. Data from this research will be kept under lock and key and reported only as a collective combined total. No one other than the researchers will know your individual answers to this questionnaire.There are no direct benefits to you for participating in this research. However, you may find it interesting to talk about the issues addressed in the research and it may be beneficial to the field and to future clients or individuals who have experienced similar concerns

If you agree to participate in this project, please answer the questions on the questionnaire as best you can. It should take approximately *(2wks)*to complete. Please return the questionnaire as soon as possible to enable me complete the project report.

If you have any questions about this project, feel free to contact *the Investigator: Robert* ***Habonimana, Mobile No.*** **+25771945021; Dr. Onsiro Martin; +254716939832;monsiro@mku.ac.ke** If you have questions about your rights as a research participant, please be in touch with the Chairman, Mount Kenya University, Ethical Review Committee, P.O Box 342-01000, Thika.

Thank you for your assistance in this important endeavor.

CONSENT

I have read and I understand the provided information and have had the opportunity to ask questions. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving a reason and without cost. I understand that I will be given a copy of this consent form. I voluntarily agree to take part in this study.

Participant's signature _____ Date _____

Investigator's signature _____ Date _____

APPENDIX II: INTRODUCTION

I am Robert Habonimana, a Master of Business and Administration student of Mount Kenya. I am at a student of writing my project that is a requirement for a student to graduate. Therefore, I am requesting you to participate in my research in filling in the questionnaire attached here. The questionnaire seeks to establish if Cashless payments in petroleum industries in Burundi affect financial performance. The research is purely academic and all information that will be collected will treated with confidentiality it deserves.

APPENDIX III: QUESTIONNAIRE

SECTION A: PERSONAL INFORMATION

1.Indicate your Gender

a) Male b) Female

2.Tick (your Age group when necessary

a) 18-30years ☐ b) 31-40years ☐ c) 41-50years ☐ d) 51-60years ☐

3.Indicate your level of education? (Please tick only one.)

a) None (No formal education)

b) Primary School

c) Secondary School

d) Tertiary Education (e.g. College, Polytechnic, etc.) excluding University e) University

4.Indicate your marital status?

a) Married

b) Single

c) Separated or Divorced

d) Widowed

5.How long have you been working with Interpetrol Petroleum Company .....

a) 0-2yrs b) 3- 5years c) 5-10 years d) More than 10years

6) Does your company allow use of Cashless forms of payment to make transactions? a)

Yes

b) No

7. Which Cashless forms of payments regularly used by customers in the payment of fuel? a)

Direct Debit

b) Credit card and debit card

c) Mobile money payment

d) Internet mode of payment

SECTION B: CASHLESS PAYMENTS

Use of Direct Debit payment methods

Qn.9. Below are statements regarding Cashless payments in your firm. Indicate the degree to which you agree or disagree with the following statements using the scale of 1-5. Where

1=Strongly Disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly Agree

Statement	1	2	3	4	5
Our company allows the use of direct debit in the payments of its products.					
Direct Debit usage is less costly for customers					
The direct debit saves money for the company.					
Direct debits are easy to use for both customers and employees.					
The direct debit services are automated and no cash is required in the paying.					
The payments through direct debit is faster and prompt.					
The direct debit services are available and functional in your outlet.					

SECTION C: Cards

Qn.10 Show to what degree you agree or disagree with the following statements using a scale of 1-5 where 1=Strongly Disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly Agree

Statement	1	2	3	4	5
Customers use cards to pay for the products in your firm.					
Cards are well embraced by your clients in paying for services and products in your firm.					
The cards payments are cheap for your clients in paying for services and products.					
Cards are convenient and easy to use for both clients and employees.					
Majority of your clients prefer card payments as compared to cash payment.					
Payment through cards is secure and safe for both the management and clients.					
Cards are time saving and convenient to use in transacting.					

SECTION D: Mobile Money Payments

Qn. 11). Indicate of the level of agreement or disagreement on the following statements: use a scale of 1-5 whereby 1=strongly disagree 2=disagree 3=Neutral 4=Agree 5=Strongly Agree

Statement	1	2	3	4	5
Your firm allow payments of services and products through mobile money transactions.					
Payment through mobile phones is secure and guarantee safety for money.					
Paying through mobile is less costly for your clients.					

The use of Mobile money reduces the perceived risks of carrying cash.					
The use of mobile money transactions reduces fraud and misappropriation of funds in the firm.					
Your clients are served fast with the use of Mobile money payments as compared to cash transactions.					
Mobile money use is overwhelming accepted by both clients and employees in your firm.					

SECTION E: Internet Payments

Qn.12. Indicate of the level of agreement or disagreement on the following statements: use a scale of 1-5 whereby 1=strongly disagree 2=disagree 3=Neutral 4=Agree 5=Strongly Agree

Statement	1	2	3	4	5
Internet payment is used in your firm by clients to make payments.					
Internet payments is embraced by your clients and is preferred to Cash payments.					
Internet payments have reduced fraud and corruption in your firm.					
Clients prefer internet payments since they are affordable.					
Payment through internet is easy to use.					
Use of internet payments guards customers private data.					
Internet payment is less costly to maintain for your firm as compared to cash payments.					

SECTION F: FNANCIAL PERFORMANCE

The correlation will be used to present the profitability trends in dependence variable.

Qn. 13. **FNANCIAL PERFORMANCE**

Item	2019	2020	2021	2022	2023
Gross profit margin					
Return on Equity					
Return on Assets					
Earnings per share					

APPENDIX IV: INTRODUCTION LETTER

Mount Kenya University

DIRECTORATE OF GRADUATE STUDIES

MBA/48218/2016

2nd April, 2024

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: ROBERT HABONIMANA – REGISTRATION NO. MBA/48218/2016

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics.**

The title of the research is **"Analysis of Cashless Payment on Financial Performance of Petroleum Industry in Burundi."** It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **April, 2024 and June, 2024.**

Any assistance accorded to the student will be highly appreciated.

Thank you.

Mount Kenya University
P.O. Box 342-01000, THIKA
Office of the Director
Graduate Studies

Dr. Samuel M. Kariuki, Ph.D
Director, Graduate Studies
Enc.

APPENDIX IV: ERC

Mount Kenya University

REF: **MKU/ISERC/3549**
TO: **ROBERT HABONIMANA**

Date: 28 March 2024

REG: **MBA/48218/2016**

Dear Sir/Madam,

RE: ANALYSIS OF CASHLESS PAYMENT ON FINANCIAL PERFORMANCE OF PETROLEUM INDUSTRY IN BURUNDI

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **2593.** The approval period is **28/03/2024 - 27/03/2025.**

This approval is subject to compliance with the following requirements;

i. Only approved documents including informed consents, study instruments, MTA will be used
ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
iii. Death and life threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
v. Clearance for export of biological specimens must be obtained from relevant institutions
vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to comply with any additional requirements from the relevant authorities in the country where this study will be conducted

Yours sincerely,

The Chairman
Mount Kenya University
Ethics Review Committee
P. O. Box 342 - 0100, Thika

Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC

APPENDIX V: PLAGIARISM REPORT

INFLUENCE OF CASHLESS PAYMENT ON FINANCIAL PERFORMANCE OF PETROLEUM INDUSTRY IN BURUNDI

by ROBERT HABONIMANA

Submission date: 18-Jul-2024 02:03PM (UTC+0300)
Submission ID: 2417792077
File name: Robert_Proposal_correction_Jan_2024.docx (234.65K)
Word count: 21381
Character count: 119949

INFLUENCE OF CASHLESS PAYMENT ON FINANCIAL PERFORMANCE OF PETROLEUM INDUSTRY IN BURUNDI

ORIGINALITY REPORT

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