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E-PAYMENT SYSTEM AND SALES GROWTH OF RETAIL OUTLETS IN NIGERIA

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ABSTRACT

This study explored the relationship between e-payment system and sales growth of retail outlets in Nigeria. The study adopted the correlation survey research design where data were collected from managers and sales personnel of some selected retail outlets in Rivers State. A sample of 248 respondents was used for the study. The sample size was determined using the Taro Yamene's formula. A structured questionnaire was used to elicit data from the respondents. The data collected were analyzed statistically while the hypotheses were tested using Spearman Rank Order Correlation Coefficient (rho). The SPSS 22.0 version was used to correlate the data on the study variables. The findings revealed that there is significant relationship between POS system and increase in sales volume of retail outlets. This study also found a significant relationship between POS system and increase in sales turnover rate of retail outlets. This study equally found a significant relationship between electronic funds transfer system and increase in sales volume of retail outlets. This study also reported a significant relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets. Based on these findings, it was concluded that e-payment systems significantly enhance sales growth of retail outlets in Nigeria. Based on the above drawn conclusion, it was recommended that retailers in Nigeria should adopt e- payment system as it would enhance their sales growth.

Keywords: E-payment, POS system, electronic funds transfer system, sales growth, sales volume, sales turnover rate.

INTRODUCTION

The retail industry is one of the fastest growing industries in Nigeria. This growth is motivated by the increasing rate of unemployment in the country as well as the small capital required to start-up a retail business. Many individuals who could not find a well paid job have decided to establish their retail outlets to earn a living. This retail outlet took the form of small store, kiosk or supermarket. As more retail outlets are being set up across the country, the level of competition in the industry intensifies. As competition intensifies, it becomes more challenging for retailers to achieve sales growth. Achieving sales growth seems to be the only way for retailers to maximize profit and survive in business. As Roberge (2014) rightly stated, sales growth is the key driver to business growth and survival. For this reason, many retail outlets are now intensifying their efforts to achieve sales growth. However, in order for retail outlets to achieve sales growth in the midst of intense competition, they need to implement e-payment system.

E-payment is a form of financial exchange that takes place between a buyer and a seller facilitated by a means of electronic system or device (Vassiliou, in Joseph & Richard, 2015). This form of payment involves the use of internet network and digital stored value system which allow bills to be paid directly from a customer's bank account to the seller's account without the use of cash or cheque. Massimo & Garcia (2008) stated that electronic payments are made via the internet banking, mobile banking, POS (Point-of-Sale) device, or electronic money transfer. What makes the payment a system is that it employs cash substitutes with the use of electronic devices and other ICT related equipment in its operations (Joseph & Richard, 2015). The traditional payment

systems are characterized by the use of paper notes such as cash and draft cheque. With the advent of internet technology and other digital communication technologies, banks were able to modernize their payment system by switch from paper notes payment to electronic payment system using debit and credit cards, POS, electronic funds transfer, bill payment, etc.

Electronic payment system is a relatively new phenomenon in Nigeria as most of the transactions in the country are done with cash (Okafor, 2015). The reason for this is that cash remains the most preferred means of payment in the country. Cheques have been the only preferred alternative means of payment. However, cheques are not usually accepted by retailers because of falsification and lack of trust (Hudson, 2018). There have been several cases of bounced cheques which made retailers to become more cautious in accepting cheques. Issues related to poor interconnectivity of banks and absence of electronic means of verifying cheques compounded this problem which prompted the Central Bank of Nigeria to introduce inter-bank electronic cheque clearing system which has drastically reduced the time taken to verify and redeem cheques (Okafor, 2017). In spite of the efforts made by the CBN to restore public confidence on the use of cheques, many retailers still do not like to accept cheques as a means of payment. For a payment to replace cash, such payment solution must be easily converted to cash or goods and must be used to buy what they need for the day or make payment for services rendered to them. This is what prompted the Central bank to introduce e-payment system into the banking industry.

The e-payment system introduced by the Central Bank addressed most of the issues raised by retailers and other business enterprises. With this e-payment system, retailers especially supermarket operators with POS device can confidently sell their goods to cashless customers and receive payment electronically using the Naira debit cards issued to customers by their bank. Today, a lot of supermarket operators have acquired POS devices to enable them receive payment for goods purchased by their cashless customers. Also, customers who are without their Naira debit cards but engage in mobile banking can make payment for goods purchased from retailers by transferring funds from their bank account to the retailer's bank account using their mobile phone. With this type of e-payment system, retailers will be able to make more sales per day as customers can now do their shopping without cash or cheque in their pocket. It is against this backdrop that this study intends to examine the relationship between e-payment system and sales growth of retail outlets in Nigeria.

Statement of the Problem

The major challenge confronting many retail outlets in Nigeria is how to increase their sales and survive in the midst of competition. The number of retail outlets in the country has increased tremendously and this has increased the level of competition among the key players in the industry. The different retail outlets are competing intensively for the consumers' income. Given the intense competition among retail outlets, some of them have began to intensify their efforts to dominate the market and achieve sales growth while others have not. Many retail outlets have closed down from operations due to poor sales; some of the retailers who are still in business are struggling to increase their sales. The continuous reliance on cash transactions is believed to be responsible for the decline in sales of many retail outlets in Nigeria. Okafor (2017) observed that many retailers still preferred cash as the sole means of payment for goods purchased in their store and this could be responsible for the steady decline in sales. As sales continue to drop, some smart retailers have began to seek for other alternative means of payment for goods purchased from their store. While some retailers have acquired POS devices from banks to facilitate sales, others without POS have created a digital channel to facilitate electronic funds transfer for the payment of goods purchased by customers. These measures were taken to achieve their sales growth. However, ever since these measures were taken, it is not yet certain whether the e-payment system implemented by retail outlets have yielded the desired outcome of increasing sales as there are no empirical evidence that showed the relationship between e- payment system and sales growth of retail outlets in Nigeria. This study will fill this gap in empirical literature.

Conceptual Framework

The conceptual framework of this study shows the linkage between independent and dependent variables as shown in figure 1 below:

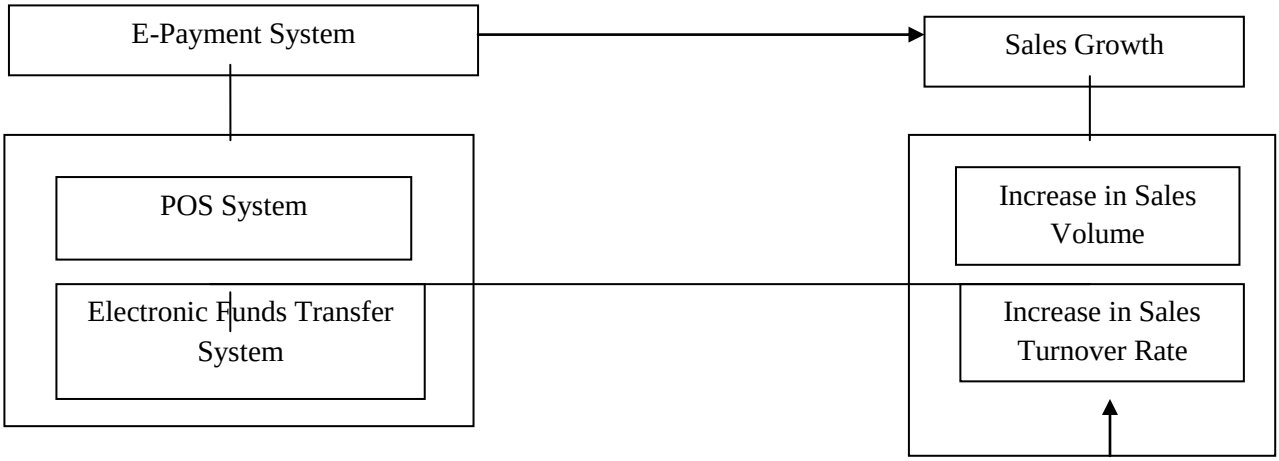


Fig.1: Conceptual Framework
Source: Author's conceptualization.

Aim and Objectives of the Study

The aim of this study is to examine the relationship between e-payment system and sales growth of retail outlets in Nigeria. In order to achieve this broad aim, the study intends to attain the following objectives:

1. To determine the relationship between POS system and increase in sales volume of retail outlets.
2. To ascertain the relationship between POS system and increase in sales turnover rate of retail outlets.
3. To examine the relationship between electronic funds transfer system and increase in sales volume of retail outlets.
4. To determine the relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets.

Research Questions

In order to adequately address the objectives of the study, the following research questions are raised:

1. To what extent does POS system enhance the sales volume of retail outlets?
2. To what extent does POS system enhance sales turnover rate of retail outlets?
3. To what extent does electronic funds transfer system enhance the sales volume of retail outlets?
4. To what extent does electronic funds transfer system enhance sales turnover rate of retail outlets?

Research Hypotheses

The following hypotheses are formulated to guide this study:

Ho_1: There is no significant relationship between POS system and increase in sales volume of retail outlets.

Ho_2: There is no significant relationship between POS system and increase in sales turnover rate of retail outlets.

Ho_3: There is no significant relationship between electronic funds transfer system and increase in sales volume of retail outlets.

Ho_4: There is no significant relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets.

Review of Related Literature

Theoretical Review

The technological determinism theory was adopted in this study. This theory was propounded by Thorstein Veblen in 1975. The technological determinism theory states that emergency of technology and technological changes are the critical factors responsible for the changes in society (Green, 2001). The theory sees technology as the basis for modernizing the way human beings perform a given task and relate with others within an organization. The idea behind this theory is that technology changes determine social change i.e. the way people see things as well as the way they make payment for goods purchased. It explains how modern technology (such as Point of Sale (POS) and electronic fund transfer system) has impacted on the way we make payment for goods and services. The emergence of POS system for instance, has changed the way people make payment for goods and services purchased. Technological determinism theory tends to explain how the emergence of modern technology and devices have influenced the way people perform certain transactions as well as the way they make payment for goods purchased. The theory shows that technological emergency drives social, economic, political and organizational change (Green, 2001). It is believed that social progress with respect to the way we make payment electronically is driven by technological development (Croteau & Hoynes, 2003).

Concept of E-Payment System

E-payment system can be defined as a means of payment whereby an electronic device is used for making payment for goods and services purchased from a retailer (Okifo & Igbunu, 2015). What makes this payment a "system" is that it employs cash substitutes with the use of electronic money and other ICT related equipment in its operations (Okifo & Igbunu, 2015). Similarly, Thomas, Jain & Angus (2013) defined e-payment systems as those mechanisms other than cash or cheque used by individuals (bank customers) to make payment for goods and services purchased from a retailer. These mechanisms guarantee a fast, safe and convenient way of making payments for goods and services (Thomas, Jain & Angus, 2013). Agimo in Kabir, Saidin, & Ahmi (2015) conceptualized e-payment as payment by electronic transfer of credit card details, direct credit or other electronic means other than payment by cheque or cash. Adeoti & Osotimehin, in Kabir, Saidin, & Ahmi (2015) described e-payment system as an electronic means of making payments for goods and services procured online or in supermarkets and shopping malls.

The traditional system of payment requires the use of draft cheques, letter of credits and other documentary credits. With the advent of modern technology such as internet and computer technologies, e-payment systems emerged. These payment systems include debit cards, credit cards, electronic funds transfers, direct credits, direct debits, internet banking and e-commerce payment systems (Okifo & Igbunu, 2015). E-payment system has brought about efficiency, fraud reduction and innovativeness in the world payment system (Oladeji, in Kabir, Saidin, & Ahmi, 2015). Jumba & Wepukhulu (2019) stated that cashless payment tends to benefit businesses by extending customers base, boosting cash flow, reducing costs, enhancing customer service and improving competitive advantage. The adoption of electronic payment system has become necessary for countries of the world. Many countries are gradually moving from paper-based economy to cashless economy where electronic payments are widely accepted for the purchase of goods and services. Nigeria is among the developing countries that are gradually moving from a paper-based transaction to a cashless economy with the introduction of e-payment system.

Dimensions of Electronic Payment System

Electronic payment system takes various forms. However, the forms of e-payment system considered in this study are Point-of-Sale (POS) and electronic funds transfer system. These types of e-payment system are discussed below:

Point-Of-Sale (POS) System

POS system is an electronic device introduced by banks which enables retailers to receive payment for goods purchased by bank customers via credit or debit card (Olannye, Dedekuma & Ndugbe, 2017). POS system is used to perform all payment transactions made by a customer to retailer in return for products or services (World Bank, 2016). POS system works alongside with credit or debit cards, e-wallet and smart card (Adewuyi, 2011; Ogunlowore & Oladele, 2014). These cards make it possible for bank customers to do their financial transactions at any shop using POS. Okafor (2017) stated that POS device makes cashless shopping a lot more convenient and can turn Nigeria into a cashless economy. The main advantage of POS is that bank customers can pay for the goods purchased at any outlet without carrying physical cash (Ameme & Wireko, 2016). When a payment transaction takes place in a retail outlet via POS, the buyer's bank account will be debited and the seller's account will be credited. After receiving payment, the seller most times issues a receipt for the transaction. Usually the receipt is printed and dispensed by electronic means (Olannye, Dedekuma & Ndugbe, 2017).

Electronic Funds Transfer

Electronic funds transfer is an electronic means of payment whereby a bank customer transfers certain amount of money from his or her account to the bank account of a retailer for goods purchased from the retailer's store (Hamid, Alabsy & Mukhtar, 2018). Kwarteng (2015) posited that the transfer of funds electronically is usually authorized and the record of the transactions is kept on the customer account details file. When a bank customer transfers funds electronically using his or her mobile phone, his or her account will be debited to the amount of fund transferred while the recipient's account will be credited by the same amount (Okafor, 2017). Electronic fund transfer was introduced by banks to ease local and international money transfer (Marete, Gommans & George, 2014). The use of electronic means of fund transfer was initially introduced by the Society for Worldwide Inter-bank Financial Telecommunication (SWIFT) and it became operational in 1977. SWIFT enable banks customers to use electronic mode to transfer international payments, statements and other banking messages (Ekwueme, Egbunike & Okoye, 2013). The Nigerian banks that first perform international funds transfer were First Bank Western Union and Monogram of United Bank for Africa. As a result of the strict regulatory policy then, money can only be received into Nigeria but not sent from Nigeria to other countries of the world. It is important to note that internet connectivity via the use of Local Area Network (LAN) as well as Wide Area Network (WAN) facilitate electronic funds transfer (Sunith, 2019).

Concept of Sales Growth

Sales growth can be defined as an increase in the amount of goods sold by a company over a period of time (Bertuzzi, 2015). Sales growth can be determined by comparing the amount of sales made by a company in the present year with the amount of sales made at the previous year. For instance, a company is said to have experienced sales growth if its sales were N4 million in 2016 and are N5 million in 2017. The additional amount of N1 million in 2017 is recorded as the sales growth. Sales growth could also be expressed as a percentage increase in sales over a period of time (Roberge, 2014). This is often called the growth rate of sales. Using our initial example, the percentage increase in sales in 2017 is 20%. Sales growth helps to increase the profit margin of a company. As Reibstein et al (2006) stated, an increase in sales means a corresponding increase in revenue for the company and this lead to increase in shareholders' dividend. By selling more products from year to year, company increases its profit margin and expands its operations. Sales growth helps to increase the general health of a company; it

indicates whether or not a company is meeting its target (McKinsey, Baungartner and Hatami, 2016).

Measures of Sales Growth

Sales growth can be measured using various criteria. However, for the purpose of this paper, sales growth is measured in terms of increase in sales volume and sales turnover rate. The measures are discussed below:

Sales Volume

Sales volume equals the quantity of items a business sells during a given period such as a year or fiscal quarter (Codjia, 2015).The Cambridge English Dictionary defines sales volume as the quantity or number of products sold or services provided by a company in a particular period of time. Sales volume is the amount or number of units that are sold of a particular product or service (Investorwords). Typically, when using or analyzing a unit of sales figure, it should be based on a physical product, such as the number of tons of coal sold, rather than on the number of services rendered. A unit sale is a useful figure for analysts because it enables them to determine average product prices and find possible margin pressure (Investopedia). Sales are the driving force of business (Stefan, 2016). A firm's sales volume changes from time to time. The variation of sales volume is known as sales volume variance. Sales volume variance is the measure of change in profit or contribution as a result of the difference between actual and budgeted sales quantity. It quantifies the effect of change in the level of sales on the profit or contribution over the period. However, sales volume variance differs from other volume based on variances such as material usage variance and labour efficiency variance in that it calculates not just the variance in sales revenue as a result of the change in activity but it quantifies the overall change in the profit or contribution. The nature of the sales volume variance helps in forming a more meaningful analysis of other variances in the preparation of the operating statement. Increasing sales volume is a key way to grow business; it is also a challenging thing to do. A high sales volume generally indicates a profitable venture.

Sales Turnover Rate

Sales turnover is the amount or value of goods sold by a company at a specific period of time (Schenk, Trailer & Dickie, 2015). However, sales turnover rate is the speed at which a retailer or company converts its inventory (goods) into cash (Schenk, Trailer & Dickie, 2015). Thus, an increase in sales turnover rate means more revenue for the company. As company increases its revenue, so will the business grows and prosper. Sales turnover rate is a key factor used to determine how well a retailer is doing against his or her competitors (Roberge, 2014). Many retailers use sales turnover rate as a basis for measuring their competitiveness because it gives an insight into the progress made so far in terms of how customers patronize their products. For instance, if a retailer has a low sales turnover rate, it implies that the store is not doing well against its competitors. However, a high rate of sales turnover signifies that the retailer is doing well against its competitors (Reibstein et al, 2006). Every retailer strives to increase their sales turnover rate in order to maximize profit and grow. The more sales a retailer makes, the higher the rate of sales turnover which implies more revenue for the business.

E-Payment System and Sales Growth of Retail Outlets: An Empirical Review

A number of studies have been conducted on e-payment system and sales growth of retail outlets. For instance, Njenga & Ismail (2017) empirically examined the role of electronic POS in improving supply chain performance in retail sector in Kenya. Their study was carried out among some elected supermarket chains in Nairobi County. The study employed the descriptive survey research where data were collected from employees in various departments of the selected supermarkets using a structured questionnaire. The data collected were analyzed statistically using percentage and frequency tables, and mean, while the hypotheses were tested using the Pearson Product Moment Correlation Coefficient with the aid of the SPSS 21.0 version. The findings revealed that rapid scan systems, cloud based communication systems, mobile POS and electronic funds

transfer system has a significant positive relationship with supply chain performance of retail outlets in Kenya.

Pepe & Pepe (2012) carried out a study on the role of Point of Sale (POS) data in delivering customer value in supermarkets via category management practices. Their study adopted the descriptive survey research design and used a structured questionnaire for data collection. The data collected were analyzed using frequency counts, mean, standard deviation, standard error mean and multiple regression analysis. The hypotheses were tested using the Spearman Rank Order Correlation Coefficient which was computed using the SPSS software program version 20.0. After analyzing the data collected, the researchers found that POS devices significantly deliver superior customer value and improve the sales performance of supermarket operators.

Plomp & Huiden (2011) investigated the determinants of adopting Point-of-Sale (POS) system in small retailers in Netherlands. Their data were collected from 54 small retailers in Netherlands using as a structured questionnaire. The data collected from the respondents were analyzed statistically using multiple regression analysis which w computed with the aid of SPSS software program version 21.0.The findings revealed that cashless system, increased customer demand for electronic payment system and funds safety were the major motivating factors behind the adoption of POS in supermarkets. The study also found a positive correlation between POS adoption and sales performance of supermarkets.

Jumba & Wepukhulu (2019) examined the effect of cashless payment on financial performance of supermarkets in Nairobi County, Kenya. Their study employed the exploratory survey design and judgmental sampling method. The researchers used structured questionnaires to collect data from 147 supermarket operators in Nairobi County. The data collected from the respondents were analyzed statistically using tables, graphs, charts while the hypotheses were tested using linear regression analysis. The findings revealed that financial innovations, cash handling practices, financial accessibility and transactions costs significantly influence financial performance.

Mugambi, Njunge & Yang (2014) empirically examined the effect of credit cards payment on performance of retail firms in Kenya. Their employed the survey research design and used a structured questionnaire to obtain data from 120 retail outlets in Kenya. The data collected for the study was analyzed statistically using descriptive statistic like percentage tables while the formulated hypothesis was tested using the Chi-square. The findings of the study revealed a card payment has a significant effect on sales performance of retail outlets. In another study on the economic benefits and challenges of electronic payment system in Nigeria, it was reported that electronic payment such as card payment, electronic funds transfer and mobile money enhance economic activities, galvanize Nigeria into a cashless society and eliminate fear of the unknown while the major challenges associated with the system are public acceptability, lack of uniform platform being, operated by the banks, lack of adequate infrastructure and issues of security, with the proper use of e-payment system, corruption (Okifo, & Igbunu, 2015).

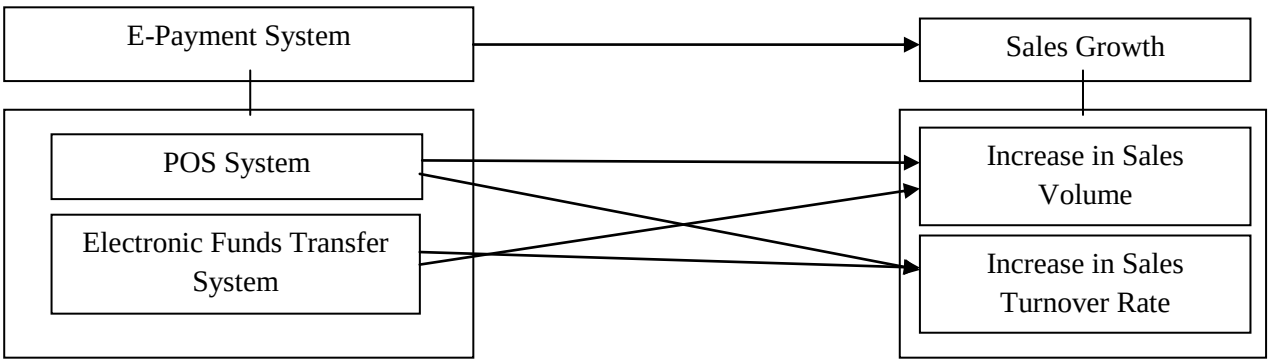
Ovia (2002) examined the relationship between payment system and financial innovations. Their study employed the use of questionnaires in obtaining data from 200 bank employees. The data collected were analyzed statistically using descriptive statistics such as mean and standard deviation. After analyzing the data collected using Spearman Rank Order Correlation Coefficient, the researcher found a significant relationship between card payment and financial innovation in the banking industry. The study also reported that funds transfer has a positive and significant relationship with financial innovation.

Ogedebe & Babatunde (2012) empirically examined the prospects and challenges of e-payment in Nigerian public sector. Their study adopted the descriptive survey research design and used a

structured questionnaire to collect data from government officials in selected ministries and parastatals in Lagos State. The data collected from the respondents were analyzed using frequency counts, percentage and SPSS analysis. The findings revealed that e-payment enhance business activities and helps to build cashless economy in Nigeria while the major challenges associated with the system are business acceptability, poor network, lack of adequate infrastructure and issues of security.

Appiah & Agyemang (2007) carried a study to determine user acceptability of electronic retail payment system and payment problems in Ghana. Their study adopted the correlation survey research design and the quantitative research approach. A structured questionnaire was used to elicit data from 183 retailers of some selected retail outlets in Accra. The data collected were analyzed using descriptive and inferential statistics. The findings revealed that level of acceptability of electronic payment system is low among micro retailers. The study also found a significant positive relationship between acceptability of electronic payment system and sales performance of retail outlets. The study revealed that poor network, improper use of device, lack of adequate infrastructure and security issues are among the payment problems in Ghana.

From the empirical studies reviewed, it was observed that a number of studies have been conducted on electronic payment system in Nigeria but none of these studies relate the concept to sales growth rather most of the studies conducted on electronic payment system in Nigeria focused on the problems and prospects of applying the e-payment system in Nigeria. Secondly, it was observed that the studies conducted on e-payment system in Nigeria focused on the Nigerian public sector while studies that examine the relationship between electronic payment system and sales growth in the private sector like retail outlets are remarkably absent. This has created a gap in empirical literature which this paper intends to fill.
The operational framework is shown in figure 2 below:



The correlation survey research design was adopted in this study. The target population of this study consisted of all the retail outlets in Nigeria while the accessible population was limited to selected retail outlets in Rivers State. The selected retail outlets were chosen on the basis that they possessed e-payment system such as POS device and electronic funds transfer system. A population of 651 employees (sales personnel and managers) was identified in thirty-five (35) retail outlets selected for the study. A sample size of 248 sales personnel and managers was used for the study. The sample size was determined using the Taro Yamen's formula. The sample size was selected from the population using the stratified random sampling technique. A structured questionnaire was used to elicit data from the respondents. The questionnaire was validated through face and content analysis while its reliability was confirmed using the test-retest method. The questionnaire was administered to the respondents (sales personnel and managers) of the selected retail outlets in Rivers State. A total copy of 248 questionnaires was administered to the respondents and 204 copies were collected which represents 82% collection rate. The data collected were analyzed statistically while the hypotheses were tested using the Spearman Rank Order Correlation (rho) which was computed with the aid of a computer software program known as Statistical Package for Social Sciences (SPSS) 22.0 version.

Empirical Results and Discussion

The results of the correlation analysis carried out on the study variables were presented in this section and interpreted accordingly.

Table 1: Correlation between POS system and increase in sales volume of retail outlets

			POS System	Increase in Sales Volume
Spearman Rank (rho)	POS System	Correlation Coefficient Sig. (2 tailed) N	1.000 . 204	.732* .001 204
	Increase in Sales Volume	Correlation Coefficient Sig. (2 tailed) N	.732* .001 204	1.000 . 204

**Correlation is significant at 0.01 levels (2 tailed)
*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

Table 4.2 presents the result of the correlation analysis performed between POS system and increase in sales volume of retail outlets. The result indicates that POS system is positively correlated to increase in sales volume of retail outlets (rho = .732*) and this correlation is significant at 95% confidence level. Based on this result, the null hypothesis (Ho_1) is rejected and the alternate hypothesis is accepted. This implies that we then accept that there is significant relationship between POS system and increase in sales volume of retail outlets.

Table 2: Correlation between POS system and increase in sales turnover rate of retail outlets

			POS System	Increase in Sales Turnover Rate
Spearman Rank (rho)	POS System	Correlation Coefficient Sig. (2 tailed) N	1.000 . 204	.836* .001 204
	Increase in Sales Turnover Rate	Correlation Coefficient Sig. (2 tailed) N	.836* .001 204	1.000 . 204

**Correlation is significant at 0.01 levels (2 tailed)
*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

Table 2 presents the result of the correlation analysis performed between POS system and increase in sales turnover rate of retail outlets. The result indicates that the use of POS system has a positive correlation with increase in sales turnover rate of retail outlets (rho = .836*) and this correlation is significant at 0.05 level as indicated by the symbol *. Based on this result, the null hypothesis is rejected and the alternate hypothesis is accepted. This means that there is significant relationship between POS system and increase in sales turnover rate of retail outlets.

Table 3: Correlation between electronic funds transfer system and increase in sales volume rate of retail outlets

			Electronic Funds Transfer System	Increase in Sales Volume
Spearman Rank (rho)	Electronic Funds Transfer System	Correlation Coefficient Sig. (2 tailed) N	1.000 . 204	.788* .002 204
	Increase in Sales Volume	Correlation Coefficient Sig. (2 tailed) N	.788* .002 204	1.000 . 204

**Correlation is significant at 0.01 levels (2 tailed)
*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

Table 3 shows the result of the correlation analysis carried out between electronic funds transfer system and increase in sales volume of retail outlets. The result indicates a positive correlation between electronic funds transfer system and increase in sales volume of retail outlets (rho = .788*) and the symbol * indicates that this relationship is significant at 0.05 level. Consequently, the null hypothesis is rejected and the alternate hypothesis is accepted. This means that there is significant relationship between electronic funds transfer system and increase in sales volume of retail outlets.

Table 4: Correlation between electronic funds transfer system and increase in sales turnover rate of retail outlets

			Electronic Funds Transfer System	Increase in Sales Turnover Rate
Spearman Rank (rho)	Electronic Funds Transfer System	Correlation Coefficient Sig. (2 tailed) N	1.000 . 204	.817* .002 204
	Increase in Sales Turnover Rate	Correlation Coefficient Sig. (2 tailed) N	.817* .002 204	1.000 . 204

**Correlation is significant at 0.01 levels (2 tailed)
*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

Table 4 presents the result of the correlation analysis carried out between electronic funds transfer system and increase in sales turnover rate of retail outlets. The result shows that electronic funds transfer system is positively correlated with increase in sales turnover rate of retail outlets (rho = .817*) and the symbol * indicates that this relationship is significant at 0.05 level. As a result of this, we then reject the null hypothesis and accept the alternate hypothesis which states that there is significant relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets.

Discussion of Findings

From the result of the analysis carried out, it was discovered that POS system has a significant relationship with increase in sales volume of retail outlets. This finding was derived from the results of the correlation analysis carried out on the two variables in the first hypothesis. The result of the correlation analysis showed that POS system is positively correlated to increase in sales volume of retail outlets and this correlation is significant at 0.05 level (See table 1). Based on this result, the null hypothesis (Ho_1) was rejected and the alternate hypothesis was accepted. This implies that we then accepted that there is significant relationship between POS system and increase in sales volume of retail outlets. This finding is in line with the research conducted by

Pepe & Pepe (2012) which reported that the use of POS devices have significantly increased the sales volume of retail outlets. Plomp & Huiden (2011) also supported this finding when they stated that the use of POS system in supermarkets have significantly increased the sales volume of the outlets.

It was also discovered that POS system has a significant relationship with increase in sales turnover rate of retail outlets. This finding was deduced from the result of the correlation analysis carried out on the two variables as shown in table 2 above. The result of the correlation analysis showed that the use of POS system has a positive correlation with increase in sales turnover rate of retail outlets (rho = .836*) and this correlation is significant at 0.05 level. As a result of this, the null hypothesis was rejected and the alternate hypothesis was accepted. This means that there is significant relationship between POS system and increase in sales turnover rate of retail outlets. This finding is supported by Mugambi, Njunge & Yang (2014) who noted that POS system has a significant effect on sales turnover rate of retail outlets. Njenga & Ismail (2017) also agreed with this finding when they stated that POS system has significantly increased the sales turnover rate of retail outlets. This study equally found a significant relationship between electronic funds transfer system and sales turnover rate of retail outlets. This finding was obtained from the result of the correlation analysis carried out on the two variables which is presented in table 3. The result revealed a positive correlation between electronic funds transfer system and increase in sales volume of retail outlets (rho = .788*) and this correlation is significant at 0.05 level. Consequently, the null hypothesis was rejected and the alternate hypothesis was accepted. This means that there is significant relationship between electronic funds transfer system and increase in sales volume of retail outlets. This finding is supported by Njenga & Ismail (2017) whose study reported that electronic funds transfer system has a significant positive relationship with sales volume of retail outlets. Kamar (2012) also agreed with this finding when he stated that electronic funds transfer system significantly increased the sales volume of retail outlets.

Finally, it was revealed that electronic funds transfer system has a significant relationship with increase in sales turnover rate of retail outlets. This finding was derived from the result of the correlation analysis carried out on the two variables which is shown in table 4. The result electronic funds transfer system is positively correlated with increase in sales turnover rate of retail outlets (rho = .817*) and this correlation is significant at 0.05 level. As a result of this, we then reject the null hypothesis and accept the alternate hypothesis which states that there is significant relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets. This finding is consistent with the research conducted by Chalomba & Gujral (2016) and Kamar (2012) as both studies reported that electronic funds transfer system significantly enhance sales turnover rate of retail outlets.

CONCLUSION

Based on the results of the analysis, it is evident that e-payment system has the potentials of achieving sales growth of retail outlets. The empirical results of this study clearly showed that POS system has a significant relationship with increase in sales volume of retail outlets. The study also found a significant relationship between POS system and increase in sales turnover rate of retail outlets. This study equally found a significant relationship between electronic funds transfer system and increase in sales volume of retail outlets. This study also reported a significant relationship between electronic funds transfer system and increase in sales turnover rate of retail outlets. Based on these findings, it was concluded that e-payment system significantly enhance sales growth of retail outlets in Nigeria.

RECOMMENDATIONS

Based on the findings and conclusion, the following recommendations are made:

1. That, retailers in Nigeria especially those in Rivers State should adopt e-payment system as it would enhance sales growth of their outlets.
2. That, retailers especially those who are experiencing low sales turnover rate should acquire POS devices as it would enable their customers who do not have cash in their pocket purchase more goods from their shop and pay with their Naira debit card.
3. That, retailers especially those who are determined to increase the sales from month to month should acquire POS devices and engage in mobile money transfer as this would enable their customers who do not have their Naira debit cards or cash in their pockets pay for goods purchased via electronic funds transfers.
4. That, retailers who do not have a mobile app should approach their bank for internet and mobile banking and download the apps that will enable them perform financial transactions electronically as this would enable their customers purchase more goods from their store and make payment electronically. This will in turn increase their sales turnover and profit margin.
5. Finally, it is recommended that retailers should switch from cash transactions to cashless transactions as this would not only ensure the safety of their funds but would also increase their sales turnover rate.

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