



Role of Fintech Literacy on Household Income Generation Among Sacco Members in Nairobi City County, Kenya

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Abstract

The role of financial technology (fintech) literacy in enhancing household income generation is increasingly recognized, particularly in developing economies. In Kenya, Savings and Credit Cooperative Organizations (SACCOs) play a vital role in financial inclusion, yet many SACCO members in rural areas face barriers in fully utilizing fintech tools due to limited digital financial literacy. This study explores the role of fintech literacy in household income generation among SACCO members in Nairobi City County, Kenya. Using a descriptive cross-sectional research design, the study targeted 250 SACCO members across different sectors within Nairobi City County. Primary data were collected through self-administered questionnaires, and both descriptive and inferential statistics, including regression analysis, were used to analyze the data. The findings revealed a significant positive relationship ($\beta = 0.812$, $p < 0.05$, $R^2 = 0.683$) between fintech literacy and household income generation. The results suggest that higher fintech literacy, particularly in using mobile banking, digital wallets, and e-loans, contributes to better financial management and increased income generation among SACCO members. The study recommends that SACCOs in Nairobi City County prioritize financial literacy programs, specifically tailored to improving fintech skills, and invest in continuous training to empower members with the necessary tools for maximizing income generation. These efforts will enhance the financial well-being of SACCO members, foster financial inclusion, and contribute to sustainable economic growth in the region.

Keywords: Fintech literacy, household income generation, SACCO members, mobile banking, Nairobi City County, financial inclusion.

1.0 INTRODUCTION

1.1 Background to the Study

The rise of financial technology (fintech) has dramatically reshaped global financial landscapes, providing unprecedented access to digital financial services. According to the Global Fintech Adoption Index (EY, 2021), over 64% of global consumers are now using fintech services, reflecting a significant increase in adoption. This growth has enabled individuals to manage payments, savings, and investments through mobile phones and digital platforms, revolutionizing how people engage with financial systems. However, despite the widespread use of fintech, many individuals, especially in developing economies, continue to face barriers in fully utilizing these services due to limited fintech literacy. Studies such as those by Arner et al. (2020), Demirguc-Kunt et al. (2018), and Ozili (2021) emphasize that fintech literacy—defined as the ability to use digital financial tools effectively—remains underdeveloped in many regions, particularly in developing economies, even as adoption rates increase. Without sufficient understanding, many individuals are unable to fully capitalize on the opportunities fintech services offer, creating a significant gap between adoption and optimal utilization.

In developed economies, fintech literacy is increasingly recognized as a critical factor in maximizing the potential of digital financial services. A report by the World Bank (2022) found that 80% of individuals in developed countries who are familiar with fintech tools, such as mobile banking, digital wallets, and peer-to-peer lending, report improved

financial outcomes and are better equipped to manage household finances. However, in emerging markets, the adoption of fintech tools has often outpaced the development of the necessary literacy to use them effectively. Liu et al. (2021) found that while fintech adoption was high in China, the lack of fintech literacy among users prevented many from realizing the full financial potential of the tools available to them. Similarly, Kim et al. (2022) revealed that although fintech services are widely used in South Korea, understanding their full capabilities remains a significant barrier to optimizing household income generation. This gap in understanding fintech tools has also been discussed by Gabor and Brooks (2017), who argue that without adequate education, fintech's potential to improve financial outcomes is often unfulfilled.

In Africa, fintech adoption has been transformative, with mobile money services extending to millions of people across the continent. The African Development Bank (2022) reports that mobile money services reached over 500 million people by 2021, making Africa the region with the highest mobile money penetration globally. Despite this progress, fintech literacy remains a significant hurdle. Twumasi et al. (2021) highlighted that while mobile financial services are widely adopted in Ghana, a substantial portion of the population still lacks the skills necessary to fully understand and utilize these tools for financial growth. Similarly, in Uganda, Kwagala and Munene (2022) found that in their study, while fintech literacy had a positive relationship with household income generation, the lack of understanding of advanced fintech tools limited their effectiveness. Research by Aker et al. (2016) further supports this notion, stating that while mobile money has improved access to financial services, it has not been enough to foster a significant increase in financial literacy across the African continent. These findings underscore the importance of addressing the gap in fintech literacy in many African nations, where widespread adoption of digital financial services is not accompanied by sufficient education on how to use these tools effectively.

Kenya has experienced significant growth in fintech adoption, particularly with mobile money services like M-Pesa, which now serves over 30 million users across the country (GSMA, 2021). Despite this, a report by the Central Bank of Kenya (2020) revealed that almost 46% of mobile money users lack adequate fintech literacy, limiting their ability to fully capitalize on these services for income generation. In Nairobi City County, where SACCOs are a major part of the financial ecosystem, many SACCO members are still unable to effectively use digital financial tools. Ochieng (2020) found that members with higher levels of fintech literacy are more likely to engage with mobile banking, e-investments, and digital loans, significantly improving their income generation capacity. However, the lack of fintech literacy among many SACCO members means they are unable to leverage these tools to their full potential, creating a gap in the economic benefits that fintech could offer. Studies by Mwaura and Munyiri (2021) support this, indicating that low fintech literacy limits the full utilization of available services, resulting in missed opportunities for financial growth. This highlights the critical need to improve fintech literacy among SACCO members to fully harness the opportunities presented by digital financial tools.

This study addressed the gap in understanding how fintech literacy influenced household income generation among SACCO members in Nairobi City County. While fintech adoption was widespread, the effective use of these services had been hindered by a lack of fintech education. By exploring the role of fintech literacy in household income generation, this report provided crucial insights for policymakers, financial institutions, and SACCOs to develop educational programs that enhance fintech literacy. Ultimately, improving fintech literacy enabled SACCO members to make more informed financial decisions, leading to greater income generation and overall financial well-being. The findings from this study highlighted the importance of enhancing fintech literacy as a key strategy to maximize the potential of digital financial tools in Nairobi's SACCO sector.

1.2 Statement of the Problem

The adoption of fintech literacy is a crucial factor for enhancing financial inclusion and improving household income generation, particularly in developing economies. However, its implementation among Savings and Credit Cooperative Society (SACCO) members in Kenya remains inconsistent, especially in Nairobi City County. Fintech literacy enables individuals to effectively utilize digital financial tools, such as mobile banking, digital wallets, and e-investments, thereby improving their ability to manage finances, save, and invest (Liu et al., 2021). Despite the clear advantages of fintech literacy, its uptake among SACCO members in Kenya has remained low, limiting the full potential of digital financial services. In many regions, particularly in Nairobi, SACCO members continue to underutilize these services due to limited knowledge and skills in navigating digital platforms (Ochieng, 2020). In Kenya, where SACCOs play a critical role in providing financial services to a large segment of the population, it is concerning that nearly 46% of mobile money users lack adequate fintech literacy, hindering their ability to optimize these tools for income generation (Central Bank of Kenya, 2020). Research on fintech literacy among SACCO members in Kenya has identified several barriers, including insufficient access to training, lack of awareness about digital financial tools, and a general reluctance to adopt new technologies (Mwangi & Munyiri, 2021). The absence of adequate fintech literacy has left SACCO members vulnerable to missed opportunities for financial growth, particularly in a rapidly evolving digital financial environment. Despite the importance of fintech literacy, SACCO members in Nairobi City County continue to face significant challenges, limiting their ability to leverage mobile money, e-investments, and other digital financial services to their full

potential. This study, therefore, aimed to bridge this gap by examining the role of fintech literacy in household income generation among SACCO members in Nairobi, providing actionable insights for SACCO managers and policymakers.

1.3 Research Objective

The study aimed to determine the role of fintech literacy in enhancing household income generation among SACCO members in Nairobi City County, Kenya. Specifically, it sought to assess how fintech literacy affects the utilization of digital financial services such as mobile banking, digital wallets, and e-investments among SACCO members, and how this, in turn, influences their ability to save, invest, and generate income.

1.4 Research Hypothesis

The study tested the following null hypothesis:

H₀: Fintech literacy has no significant role in household income generation among SACCO members in Nairobi City County, Kenya.

H₁: Fintech literacy has a significant role in household income generation among SACCO members in Nairobi City County, Kenya.

1.5 Significance of the Study

This study is significant for researchers, policymakers, SACCO members, and financial institutions. For researchers, it contributes to the growing body of knowledge on the role of fintech literacy in enhancing financial outcomes in developing countries, particularly within the SACCO sector. Policymakers can use the findings to design policies and programs aimed at improving fintech literacy among SACCO members, thereby fostering greater financial inclusion and economic growth. SACCO members will benefit from the insights into how improving their fintech literacy can help them leverage digital financial tools for better income generation and financial management. Financial institutions and SACCOs can use the results to develop targeted educational programs and interventions that enhance digital financial literacy, ultimately helping their members maximize the benefits of fintech services for financial stability and growth.

2.0 LITERATURE REVIEW

This section explores the relevant theories and empirical studies on fintech literacy and its role in household income generation, with a focus on the application of these concepts within SACCO communities in Nairobi City County.

2.1 Theoretical Review

This study was guided by the technology acceptance model (TAM).

Technology Acceptance Model

The Technology Acceptance Model (TAM), developed by Davis in 1989, posits that the adoption and use of technology are influenced by two primary factors: perceived usefulness and perceived ease of use. Perceived usefulness refers to the belief that using a specific technology will enhance an individual's performance, while perceived ease of use measures the perceived effortlessness of using the technology (Davis, 1989). According to TAM, these factors influence users' attitudes toward technology, which, in turn, shape their intention to use the technology and actual usage behavior. TAM has been extensively applied to understand technology adoption, especially in contexts such as mobile banking, digital financial services, and e-commerce.

Recent research has validated the effectiveness of TAM in explaining the adoption of fintech services. A study by Rahman et al. (2023) in Bangladesh found that perceived usefulness and perceived ease of use were significant predictors of mobile banking adoption in rural populations, particularly in markets with limited financial literacy. In China, Zhou et al. (2024) found that these same two factors were critical in explaining the adoption of mobile payment systems, further validating TAM's robustness in digital finance. Moreover, Sharma and Soni (2023) applied TAM to explore the adoption of fintech services in India, highlighting that positive perceptions of ease of use and usefulness were key to increasing engagement with digital finance. These studies demonstrate TAM's continued relevance in explaining fintech adoption globally.

However, despite its widespread application, TAM has faced several criticisms regarding its limitations in fully capturing the complexities of technology adoption. Khalil and Qureshi (2023) argued that TAM neglects the role of trust in fintech adoption, especially in developing countries where users may be skeptical of digital financial tools. Furthermore, Lim and Chen (2022) pointed out that demographic factors such as age, income, and education level can significantly affect the perception of technology, yet these factors are not sufficiently incorporated into TAM. Additionally, McLean et al. (2024) identified the influence of social factors, like peer pressure and social influence, which TAM does not fully account for in explaining technology adoption. Iqbal and Maqbool (2023) also highlighted TAM's inability to address external environmental factors, such as economic conditions and government regulations, which may play significant roles in adoption decisions.

In the context of this study, TAM is highly relevant as it offers a solid framework to understand how fintech literacy influences the adoption of mobile banking and other digital financial tools among SACCO members in Nairobi City County. By emphasizing perceived ease of use and perceived usefulness, TAM allows for a deeper analysis of how SACCO members' perceptions of fintech tools influence their willingness to adopt these technologies. As fintech literacy increases, SACCO members are more likely to perceive digital financial tools as both useful and easy to use, thereby increasing their adoption for financial management and income generation. This aligns with TAM's premise that adoption is significantly influenced by users' perceptions of technology's value and effortlessness.

2.2 Empirical Literature Review

Fintech Literacy and Household Income Generation

Liu, He, and Turvey (2021) studied financial technology literacy and household income generation, in China. The study used a cross-sectional research design and collected data through an online survey distributed to Chinese households. The study's target population was Chinese households with at least one member who had used financial technology services in the past year. A convenience sampling technique was used to select participants, resulting in a sample size of 468 respondents. The data collected was quantitative, and the study employed regression analysis as its primary methodology. The instrument used to measure financial technology literacy was a set of self-assessment questions, while income and other demographic data were obtained through direct questioning. The study's findings revealed that financial technology literacy had no significant role in household income generation, contrary to the researchers' initial expectations. However, the study did find a positive correlation between financial technology literacy and income level, education, and age. The study also identified gaps in existing literature on financial technology literacy and its role in household income generation, highlighting the need for further research. A similar study in Kenya could shed light on the relationship between financial technology literacy and income generation in a developing country with a rapidly growing financial technology sector.

Kim, Koo, and Jang (2022) studied financial technology literacy and household income generation in South Korea. The research design used was a cross-sectional survey, and the target population was households in South Korea. The study utilized a random sampling technique, and the sample size was 1,000 households. The nature of the data collected was primary data, which was gathered through self-administered questionnaires. The methodology employed in the study was quantitative, and the instrument used for data collection was a structured questionnaire. The test statistic used was the chi-square test. The study revealed that financial literacy was not significantly associated with household income generation or savings behavior. The study also found that other factors, such as education and financial knowledge, substantially influenced household financial behavior. The gaps identified in the study included further research on the effectiveness of financial technology education programs in promoting financial behavior and the need for similar studies in other countries, including Kenya, to understand the role of financial technology literacy in household financial behavior.

In Africa, Twumasi, Jiang, Ding, Wang, and Abgenyo (2021) conducted a study on financial technology literacy and household income generation in Ghana. The study employed a cross-sectional research design, and the target population was individuals living in Ghana who had access to financial services. The researchers used a convenience sampling technique to select a sample of 400 respondents. The data was collected through self-administered questionnaires and analyzed using descriptive statistics and regression analysis. The instrument used in the study was a structured questionnaire. The study found that the respondents' financial and financial literacy level was generally low. There was a significant positive relationship between financial literacy and household income generation. However, the study found no significant relationship between financial literacy and household income generation. The study identified a gap in the need for more financial technology literacy education to improve household income generation. A similar study in Kenya helped assess the level of financial technology literacy and financial literacy and their role in household income generation.

Kwagala and Munene (2022) studied financial technology literacy and household income generation in Uganda. The research design was a cross-sectional study, and the target population was households in Uganda. A multi-stage sampling technique was used to select the sample size of 400 households. Data were collected using a structured questionnaire, and the analysis was done using descriptive and inferential statistics. The study found that the level of financial literacy among households was low, and the use of financial technology was limited. The results also showed a positive relationship between financial technology literacy and household income generation. The study highlights the need for improved financial literacy programs incorporating financial technology education to enhance household income generation. A similar study in Kenya could provide valuable insights into the level of financial technology literacy and its role in household income generation, given the increasing adoption of digital financial services in the country.

In Kenya, Asila (2016) conducted a comprehensive study delving into the complex realm of financial investments by Small and Medium-sized Enterprises (SMEs) and their consequential impact on household income generation. The study, guided by a survey design approach, aimed to uncover the cost-effectiveness of acquiring advanced technology, navigate

the risks inherent in technological investments, and decipher the sophisticated appraisal methods shaping these crucial investment decisions. In this vibrant Kenyan setting, 107 SMEs participated, with 53 firms thoughtfully selected for data collection through structured questionnaires and enlightening interviews. The ensuing data underwent meticulous analysis, featuring frequencies, percentages, and the venerable Pearson correlation coefficient. The findings unveiled a significant relationship between the choice to acquire or lease technology, FinTech literacy, access to financial services, and a distinct preference for discounted methods in investment appraisal—factors collectively bolstering household income generation. However, the study's methodological distinction as a survey design serves to highlight the multifaceted nature of research, with varying approaches tailored to illuminate diverse facets of the intricate mosaic of financial investments and their far-reaching implications for household financial well-being.

2.3 The Conceptual Framework

The study was guided by a conceptual framework (Figure, 1), with fintech literacy, as the independent variable and the household Income Generation as the dependent variable.

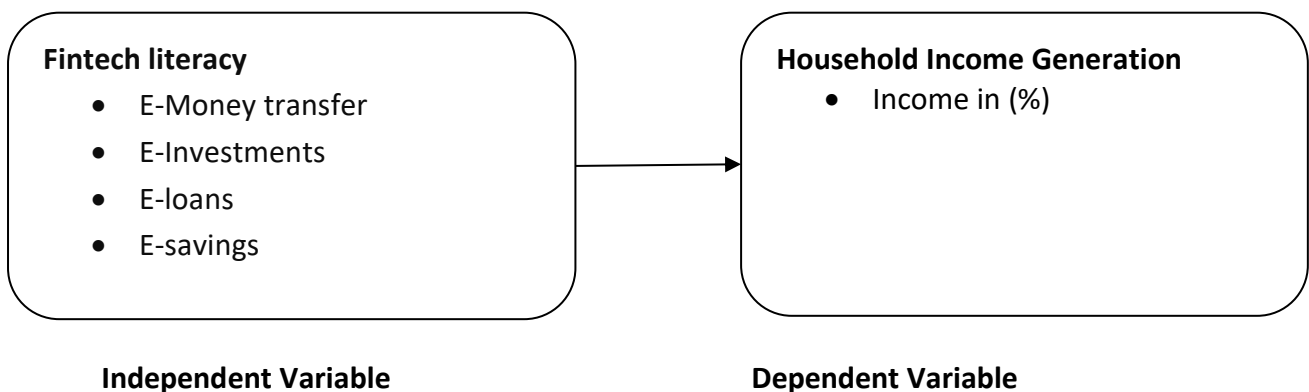


Figure 1: The Conceptual Framework

Fintech Literacy and Household Income Generation

To delve into the role of financial technology literacy on household income generation, this study scrutinized four pivotal indicators elucidated by prior researchers, as put forth by Goyal and Kumar (2021): E-Money transfer, E-Investments, E-Loans, and E-Savings. The first indicator, E-Money transfer, encompasses the electronic movement of funds via digital platforms, including mobile banking, online banking, and electronic wallets. As highlighted in a study by Chowdhury, Rahman, and Uddin (2022), E-Money transfers facilitate swift and convenient financial transactions, potentially augmenting households' income-generating capabilities. Data pertaining to E-Money transfer usage was collected through the query: "How frequently do you employ digital platforms such as mobile banking, online banking, and electronic wallets for money transfers?"

The second indicator, E-Investments, revolves around digital investment platforms that empower households to engage in financial products such as stocks, bonds, and mutual funds. According to insights from Niazi and Abbas (2021), E-Investments broaden households' investment horizons and enhance convenience, potentially fostering wealth accumulation. The study gathered information on E-Investments by inquiring, "Have you ever utilized digital investment platforms to invest in financial products such as stocks, bonds, or mutual funds?"

The third indicator, E-Loans, pertains to loans processed and disbursed via digital channels like mobile apps and online lending platforms. Agrawal (2021) underscored that E-Loans offer rapid and accessible credit access, enabling households to invest in education or embark on entrepreneurial ventures, thereby potentially bolstering their income. Data on E-Loans was collected with the question: "Have you ever sought a loan through digital lending platforms?"

Lastly, E-Savings denotes digital savings platforms that enable households to save money online. Saini, Sharma, and Goyal (2021) noted that E-Savings offer convenient and secure avenues for households to accumulate funds, potentially contributing to sustained income growth. The study assessed E-Savings utilization through the query: "Do you utilize digital savings platforms for storing your finances?" Through the examination of these indicators, the researcher sought to discern the correlation between financial technology literacy and household income generation. The resultant findings shed light on how households leverage digital platforms for financial management and income generation, thereby informing endeavors aimed at enhancing financial technology literacy and promoting economic well-being.

2.4 Research gap

Although there has been significant research on the general relationship between fintech adoption and financial inclusion, there is a notable gap in understanding the specific impact of fintech literacy on household income generation, particularly within SACCO communities in Nairobi City County. While studies have explored the adoption of mobile banking and digital financial services in various regions, such as China, South Korea, and Ghana, few have specifically examined how fintech literacy—the ability to use digital tools effectively—affects income generation among SACCO members in Kenya. Additionally, while some research has focused on broader populations, there is limited empirical data on the role of fintech literacy in optimizing the use of financial tools within SACCOs, a key sector in Kenya's financial ecosystem. This study aimed to bridge this gap by focusing on SACCO members in Nairobi, exploring how their fintech literacy influenced their ability to leverage digital financial services for enhanced financial management and income generation, ultimately providing insights for policymakers and SACCO managers to improve financial literacy programs tailored to this demographic.

3.0 RESEARCH METHODOLOGY

The study employed a descriptive research design to investigate the relationships between variables and gather data on fintech literacy and household income generation among SACCO members in Nairobi City County (Silva et al., 2021; Ibrahim et al., 2020; Almansour et al., 2021). The research focused on a target population of 3,050 active members across 12 Savings and Credit Cooperative Organizations (SACCOs) in Nairobi City County, as recorded by the Registrar of Cooperatives (2025). The sampling frame included these 12 SACCOs, and a stratified sampling technique was applied to categorize SACCO members into two distinct strata based on their savings and loan statuses. This allowed for a detailed understanding of how different financial behaviors and backgrounds may influence the role of fintech literacy.

Following the stratification, purposive sampling was employed to select participants from each category, ensuring a balanced representation based on critical demographic factors such as age, gender, education level, and length of membership in the SACCO. The final sample size was calculated using the Yamane (1957) formula, resulting in 217 SACCO members. This sample size is statistically adequate for generalizing the findings to the broader SACCO population within Nairobi City County. The study collected primary data through a self-administered structured questionnaire, utilizing a 5-point Likert scale (Smith et al., 2025).

To ensure the quality and reliability of the research instruments, a pilot test was conducted with 22 SACCO members from Universal Traders SACCO, who were excluded from the main data collection. Cooper (2018) suggests that a pilot study sample should consist of 10% of the total sample size, which informed the selection of these 22 respondents. The validity of the instrument was confirmed through expert feedback from the researcher's supervisors, while reliability was assessed using Cronbach's Alpha, yielding a value of 0.9375, well above the 0.7 threshold (Bonett & Wright, 2018), indicating that the instrument was reliable for the study.

Data analysis was conducted using both descriptive and inferential statistics, facilitated by SPSS software version 27. Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize the demographic characteristics of the participants and key variables. Inferential statistics, including correlation analysis and simple linear regression, were applied to assess the relationship between fintech literacy (independent variable) and household income generation (dependent variable). The regression model's adequacy was evaluated using ANOVA tables, while individual parameter tests were performed using t-tests (Aza et al., 2022). Additionally, assumptions of the linear regression model—such as normality, linearity, and autocorrelation—were tested using the Kolmogorov-Smirnov test, scatter plots, and the Durbin-Watson test, respectively (Aisyah et al., 2021). These rigorous analyses ensured the robustness and validity of the study's findings.

4.0 RESEARCH FINDINGS

4.1 Response Rate

The response rate of the questionnaires was analyzed, and the results were summarized and presented in Table 1.

Table 1 Response Rate

Response rate	Frequency	Percentage
Responded	202	93.1%
Not-Responded	15	6.9%
Total	217	100

Source (Field Data,2025)

The results in Table 1 indicate that a total of 217 questionnaires were distributed to SACCO members in Nairobi City County. Out of these, 202 questionnaires were successfully returned and used for analysis, yielding a response rate of 93.1%. This response rate is considered highly adequate for a descriptive study, as a return rate greater than 70% is generally regarded as acceptable (Marton, 2016). Therefore, the data collected can be considered representative, providing a solid foundation for analysis and interpretation. Table 1 presents a summary of the response distribution.

4.2 The Role of Financial Technology Literacy on Household Income Generation Among SACCO Members in Narok County, Kenya

The third objective of the study sought to establish the role of financial technology literacy on household income generation among SACCO members in Narok County. The respondents were required to show their level of agreement or disagreement with statements given on financial technology literacy on a five-point Likert scale of 1-5, where 1-Strongly Disagree, 2-Disagree, 3-Undecided, 4-Agree, 5- Strongly Agree.

4.2.1 Descriptive Tests

Descriptive statistics were analyzed, and results were presented in Table 2.

Table 2: Descriptive Statistics for Financial Technology Literacy

Given statements	SD	D	U	A	SA	Total	M	Sd
I use digital platforms such as mobile banking	2 (1.0%)	18 (9%)	16 (8%)	83 (41%)	83 (41%)	202 100%	4.12	0.96
I have invested in financial products such as stocks, bonds	33 (16%)	57 (28%)	69 (34%)	27 (13%)	16 (8%)	202 100%	2.68	1.14
I have applied for a loan using digital lending platforms.	11 (5%)	30 (15%)	12 (6%)	47 (23%)	102 (51%)	202 100%	3.99	1.29
I use digital savings platforms to save my money.	64 32%	56 (28%)	35 (17%)	23 (11%)	24 (12%)	202 100%	2.13	1.10

Source (Field Data,2025)

Key: SA=Strongly Agree; A=Agree; UN=Undecided; D=Disagree; SD=Strongly Disagree, M=Mean, Sd=Standard deviation.

The results in Table 2 show that 2(1%) of the SACCO members strongly disagreed,18(9%) disagreed,16(8%) were undecided,83(41%) agreed, and 83(41%) strongly agreed, with the statement they use of digital platforms such as mobile banking, transfer money. The mean of the findings was 4.12 and the standard deviation was 0.96. These findings indicate that a majority of SACCO members in Narok County utilize digital platforms, such as mobile banking, for transferring money and probably understand the benefits associated with them. These findings are consistent with research by Kwagala and Munene (2022) and Liu et al. (2021), highlighting the convenience, speed, and efficiency of digital platforms in facilitating money transfers, thereby fostering income generation. Moreover, these results align with the Technology Acceptance Model (TAM), which emphasizes users' perceptions of technology value and ease of use in shaping their intention to adopt new technology (Davies,1989). However, they contradict the findings of Kim (2022), suggesting a need for further investigation into the reasons behind such disparities.

On whether they had invested in financial products such as stocks and bonds using digital platforms,33(16%) strongly disagreed,57(28%) disagreed 69(34%) were undecided,27(13%) agreed, and 16(8%) strongly agreed with the statement resulting to a mean of 2.68 and a standard deviation of 1.14. These findings indicate that many SACCO members are yet to tap into the potential of digital platforms for investing in financial products, which could boost their income generation. These findings resonate with a study by Asila (2016), underscoring the pivotal role of digital platforms in facilitating stock investments. As the research revealed, households proficient in utilizing these platforms could conveniently access investment opportunities, diversify portfolios, and consequently augment income streams. Additionally, these results align with the Technology Acceptance Model (TAM), which underscores users' perceptions of technology's value and ease of use in influencing their adoption decisions (Davies, 1989). However, they diverge from the findings of Adjei (2021), suggesting the need for further investigation into the factors contributing to such disparities.

Finally, on if they used digital platforms to save, 64(32%) of the SACCO members Strongly disagreed,56(28%) disagreed,35(17%) were undecided,23(11%) agreed, and 24(12%) strongly agreed with the statement resulting to a mean of 2.13 and a standard deviation of 1.10. These findings indicate that many SACCO do not utilize digital platforms for saving indicating a poor financial behaviour. This aligns with a study by Pangestu and Karnadi (2020), which also noted the limited adoption of digital platforms for saving purposes. The study highlighted the importance of promoting digital

saving options and educating individuals on the benefits and convenience of using digital platforms to enhance their saving habits, promoting income generation. Further these findings resonate with the Technology Acceptance Model (TAM), emphasizing users' perceptions of technology's value and ease of use in shaping their adoption decisions for new technology (Davies, 1989). However, they contrast with the findings of Adjei (2021), suggesting the need for further investigation into the underlying factors driving this disparity in future studies.

4.2.2 Correlation Tests

In order to determine the relationship between financial technology literacy and household income generation, the data was subjected to additional analysis using Pearson's Correlation. Table 3 provides the findings.

Table 3: Pearson's Correlation Analysis between Financial Technology Literacy and Household Income Generation

Variable	Pearson Correlation	Sig. (2-tailed)	N
Financial Technology Literacy	0.860**	0.013	202

Source: (Field Data, 2025)

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

The results in Table 3. show a strong positive and statistically significant correlation ($r=0.860$, $p=0.013$) between financial technology literacy and household income generation of SACCO members in Narok County. This means financial technology literacy is necessary for enhanced household income generation among SACCO members in Narok County. This agrees with the findings by Pangestu and Karnadi (2020), who found that a positive and significant relationship existed between fintech literacy and household income generation. However, the results differ from those of Kim (2022), who did not find a significant relationship between fintech literacy and household income generation.

4.2.3 Regression Tests

The study further sought to establish the role of financial technology literacy on household income generation among SACCO members in Narok County. To achieve this, the study tested the third null hypothesis, which stated:

H₀₃: Financial technology literacy has no significant role in household income generation among SACCO members in Narok County, Kenya.

This analysis was done using simple linear regression, and the results are presented in Table. 4

Table 4: Regression Coefficients for Financial Technology Literacy

Variable	B	Standard Error	t-Value	p-Value	R ²
Financial Technology Literacy	0.453	0.085	2.797	0.004	0.740

Source: (Field Data, 2025)

Table 4 shows that the goodness of fit for the regression between financial technology literacy and household income generation in SACCO members in Narok County was satisfactory. An R^2 of 0.740 indicates that 74% of the household income generation of SACCO members is explained by financial technology literacy. Financial technology literacy significantly affects the household income generation of SACCO members in Narok County, according to the F- value of 569.235 and $p < 0.05$. The null hypothesis that financial technology literacy has no significant role in household income generation among SACCO members in Narok County, Kenya, was rejected by a t value of 2.797, higher than the critical t value and a P value less than 0.05. The study concluded that financial technology literacy had a significant role on the household income generation of SACCO members in Narok County. This agreed with Pangestu and Karnadi (2020), Asila (2016), and Kwagala and Munene (2022) that financial technology literacy is vital in increasing household income generation. Moreover, these findings resonate with the Technology Acceptance Model (TAM), emphasizing users' perceptions of technology's value and ease of use in shaping their adoption decisions for new technology (Davies, 1989). However, these findings contradicted those by Adjei (2021), who did not find any significant relationship between fintech literacy and household income generation, suggesting the need for further investigation into the underlying factors driving this disparity in future studies.

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

The study revealed a significant positive correlation between financial technology literacy and household income generation among SACCO members in Narok County. The regression analysis indicated a strong coefficient ($\beta = 0.453$, $p = 0.004$) and an R^2 of 0.740, suggesting that 74% of the variation in household income generation is explained by financial technology literacy. This demonstrates that fintech literacy plays a critical role in enhancing the income generation capacity of SACCO members by enabling them to better utilize digital financial tools. The findings also showed that SACCO members who were more literate in fintech tools such as mobile banking, digital wallets, and e-loans had higher income generation rates, confirming the importance of fintech literacy for financial growth.

5.2 Conclusions

The study concludes that financial technology literacy is a crucial factor in boosting household income generation among SACCO members in Narok County. Higher levels of fintech literacy empower members to utilize digital financial tools, leading to improved financial management and greater income generation. Despite the positive relationship between fintech literacy and income generation, barriers such as limited access to training, lack of awareness, and resistance to new technologies were identified as significant obstacles. Addressing these barriers is essential for maximizing the benefits of fintech services and ensuring that SACCO members can fully leverage these digital tools for financial success.

5.3 Recommendations

To enhance fintech literacy and facilitate greater income generation, it is recommended that SACCO managers and policymakers prioritize the development of targeted financial literacy programs. These programs should focus on improving SACCO members' knowledge of digital financial tools, with an emphasis on mobile banking, digital savings, and e-loans. Additionally, SACCOs should invest in training workshops and awareness campaigns to educate members about the benefits of fintech services. Furthermore, policymakers should collaborate with financial institutions to develop resources that address the specific barriers to fintech adoption, ensuring that members in rural areas have access to the necessary tools and knowledge to use digital financial platforms effectively.

5.4 Areas of Further Research

Future research should investigate the long-term effects of fintech literacy on the sustainability and growth of SACCOs, particularly in rural areas like Narok County. Further studies could explore how different leadership styles within SACCOs influence the adoption of digital financial tools and how such adoption contributes to the financial inclusion of marginalized communities. Additionally, research should focus on the role of government policies and institutional support in promoting fintech literacy and overcoming barriers to adoption. This would provide insights into how policy interventions could help SACCO members better utilize fintech services for improved financial outcomes. Further investigation into the underlying factors affecting fintech literacy adoption, particularly in rural settings, would be valuable for designing targeted interventions to maximize digital financial services' impact.

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