INTERNATIONAL JOURNAL OF MANAGEMENT AND ORGANIZATIONAL RESEARCH

Does Financial Literacy Matter? The nexus between Digital Wallet Adoption and Financial Behaviour Insights from Cameroon

Grace Mindja Aluman
Department of Business Administration, Faculty Institutes of Graduate Studies, Turkey

* Corresponding Author: **Grace Mindja Aluman**

Article Info

ISSN (online): 2583-6641
Impact Factor (RSIF): 8.56
Volume: 05
Issue: 05
Received: 19-06-2026
Accepted: 21-07-2026
Published: 23-08-2026
Page No: 41-48

Abstract
The main objective of this research was to evaluate the moderating effect of financial literacy on the effect of digital wallet adoption on financial behaviour among users in Cameroon.
Methods: A quantitative research methodology was utilized in the study, the population of the study was digital transaction users, and a sample size of 389 participants was chosen using a non-probability sampling approach. The data source was primary data; data collection was by self-administered questionnaires and data analysis was using ordinary least square (OLS). The findings indicate that, the use of a digital wallet has a statistically significant positive effect on money management ($\beta = 0.1855$, $p < 0.05$). this implies that an individual's use digital wallets will lead to an increase in financial behaviour by 0.1855 unit points all things being equal, the finding further shows that, when financial literacy is included, the coefficient for Model (2) becomes much larger, $\beta = 0.4744$ ($p<0.001$) and statistically significant at 1% level of significance. This means that the good link between using a digital wallet and having excellent financial literacy has a stronger effect on financial behaviour. The finding revealed that, Model (2) revealed that financial literacy has a significant positive coefficient $\beta = 0.1933$ ($p < 0.001$). This implies that there is a greater understanding of money as it relates to improved financial behaviour as long as individuals continue to use digital wallets. However, when we include the interaction variable between using a digital wallet and financial literacy, the coefficient for financial literacy drops to $\beta = 0.1040$ in Model 3, which is not statistically significant at this level. The finding further demonstrates that, in Model 3, the interaction term between using a digital wallet and financial literacy is positive ($\beta = 0.1652$, SE = 0.1706) but statistically not significant. According to the findings, there is no statistically significant evidence that financial literacy moderates the relationship between the use of a digital wallet and financial behaviour. The positive coefficient indicates a likely moderating impact but the large standard error relative to the coefficient means that this moderating effect cannot be statistically demonstrated. Study recommends that, campaigns should educate people not just on how to use digital wallets, but also on how to use them safely. Users should be educated on financial literacy on transaction costs, privacy, fraud protection, account security, saving money and making sensible financial decisions.

Keywords: Financial Literacy, Digital Wallet, Financial Behaviour, Cameroon

Introduction

In recent years with advent of technology, digital transformation has changed the way in consumers interacts with financial institutions and do their personal financial traction and this greatly depend on the level financial awareness (Koskelainen *et al.*, 2023; George, 2024) [13, 8]. Over the past years the global financial system has been deeply and fundamentally structurally transformed by the accelerating pace of diffusion of digital technologies which have radically changed the mechanisms of access,

storage and transfer of monetary value (Muslim, 2024) [22]. Cash is getting replaced by other forms of payment but it's been a slow but steady replacement. This has led to what lawmakers and economists are calling the "transition toward a cashless economy" (Rui *et al*., 2023; Raya & Vargas, 2022) [30, 28]. This is regarding digital wallets and mobile based payment platforms. Not only are they helpful for their technological benefits, but also, they offer new ways of use for those who have never had access to traditional banking institutions (Kamal *et al*., 2025; Jameaba, 2022) [11, 9]. The change has effects that go beyond business efficiency to include individual financial behavior that cannot be tracked alone to access level (Mousa, 2024) [21].

The move to digital finance in Sub-Saharan Africa has differed from the move to cashless transactions in more developed countries (Ricci *et al*., 2025; Kouladoum *et al*., 2022) [29, 14]. There is no formal banking industry in Africa on which to layer mobile money and digital wallets. Rather, they have served as the main instruments for large segments of the population to protect their money, considering that they have not been able to access traditional banks in the past (Zaccaria, 2024) [36]? The most recent ways to handle money situations that change are mobile money transfers, online wallets and web-based banking platforms (Metzger *et al*., 2023) [20]. They have become the primary means for people in the region to access money and that has changed the way in which people exchange money. We can now measure the structural change: In 2021, 76 per cent of adults worldwide had an account (Tinyinondi, 2025) [33]. A significant contributor to this rise is mobile money, especially in sub-Saharan Africa. These are not just adoption rates; they are seismic shifts in how millions of Africans relate to each other and to their money. People in the region who have mobile money accounts are increasingly using them to save and spend money just as they used to use cash.

According to Awounang *et al*. (2026) [5], Cameroon has witnessed a rapid growth in digital financial services, such as mobile money and other electronic payment platforms. The rise of mobile financial services has made it easier for people who might struggle to use traditional banks to send and receive money. Digital wallets also can manage money by tracking transactions easily, not having to carry cash and being able to make financial transactions for a low price (Ndassi-Teutio *et al*., 2023) [25]. But just because people have access to digital financial tools and use them, doesn't mean they will act better with their money. Some people might always use digital wallets but not save enough, or spend too much, or not budget enough, or not plan well. Therefore, the impact of digital finance on people's behavior may depend on whether they have access to digital financial tools and whether they know how to use them correctly.

The current study is based on three major significant; it provides an insight on how does financial literacy actually help people use digital wallets better? Digital financial inclusion and financial literacy have been studied increasingly in isolation. However, relatively less work has been done to examine whether financial literacy moderates the relationship between digital wallet usage and financial management especially in Cameroon, therefore, this study is important because it helps to bridge this literature gap. The current study proposed the following research-specific questions, objectives, as well as the study hypothesis, as shown below;

Research Questions

What is the effect of digital wallet adoption on financial behaviour among users in Cameroon?

What is the effect of financial literacy on financial behaviour among users in Cameroon?

How does financial literacy moderate the effect of digital wallet adoption on financial behaviour among users in Cameroon?

Research Objectives

To examine the effect of digital wallet adoption on financial behaviour among users in Cameroon

To analyze the effect of financial literacy on financial behaviour among users in Cameroon

To investigate the moderating effect of digital wallet adoption on financial behaviour among users in Cameroon

Literature Review

Digital Wallets and Mobile Money Systems

A digital wallet is a software application or tool on a mobile device or electronic screen that enables users to store money and make purchases and pay for things without cash (Kalyani, 2016) [10]. It integrates value management, credential processing and storage in a digital environment (Kalyani, 2016) [10]. It replaces the physical wallet and can be used to pay for all peer to peer and merchant transactions. It's like mobile money, but different. Mobile money is the financial services utilizing digital money which are provided via mobile telecom network, often without a bank account and through a network of authorized agents capable of converting digital and physical money (Pazarbasioglu *et al*., 2020) [26]. The m-wallets are expected to replace the physical wallets to make the dream of cashless society come true. They will also make funds available to more people (Natile, 2020) [24]. The two concepts are functionally equivalent for the objective of this study as mobile money services (MTN Mobile Money, Orange Money) are the most used type of digital wallet in Cameroon.

The digital wallet business in Cameroon is unique for mobile money in Sub-Saharan Africa. In the CEMAC bloc, mobile money remains the most popular means of sending and receiving money. Cameroon has the highest number of mobile money accounts and transactions (Wamba *et al*., 2021) [34]. People in Douala and Yaounde have integrated MTN Mobile Money and Orange Money into their lives. Their digital wallet services are integrated into strong economies that are predominantly cash based. The mobile wallet payment and receipt service has a positive measurable impact on the financial performance of the small businesses in Douala. The mobile wallet is not just a technological infrastructure; it is also a useful and effective way to impact the economy (Tengeh & Gahapa-Talom, 2020) [32] These are When you're designing digital wallet strategies, it's easy to forget to think about lifestyle fit, platform perception, and how the digital financial interface interacts with local business practices.

H_{o1}: Digital wallet has no significant effect on financial behaviour among users in Cameroon

Sales Promotion

Financial Literacy

Financial literacy is the knowledge, skills and abilities needed for financial education (Lusardi, 2019) [18]. It helps people to understand basic money concepts, make wise money choices

and use their money wisely in doing much of their daily economic activity. Financial literacy is an investment in people. Proper money management is important for everyone's well-being and for policymakers who want to increase financial literacy among the public (Fernandes *et al*., 2014) [7]. Financial literacy may reduce the adverse effect of mobile payment use on consumption, thus alleviating the impact of increased use of mobile payment on over-consumption. The financial literacy of mobile payment users is a key factor influencing the excessive spending of mobile payment users on mobile payment platforms. People who are more knowledgeable about money spend much less, even if they spend as much as people who are less knowledgeable about money (Liao & Chen, 2020) [16]. Digital financial literacy also affects the level of use of digital finance significantly. This is because people with little money knowledge are more prone to the problems associated with a cashless society such as overspending and not being able to buy things (Manda *et al*., 2024) [19].

H_{o2}: Financial literacy has no significant effect on financial behaviour among users in Cameroon

Financial Behaviour

Financial behaviour is how people deal with their own money. Financial behavior includes the way people decide and act in ways that can be seen. The idea is it should cover all the ways people get money, use it, save it and spend it over time (Lewis & Perry, 2019) [15]. According to Yeo *et al*. (2024) [35], the theory of planned behavior (TPB) best explains how people plan their finances as it incorporates three important factors: attitude, subjective norms, and perceived behavioral control. Financial behaviour is not only a matter of applying logic to make the best out of a situation but also a socially constructed psychological phenomenon that is influenced by the financial tools at the person's disposal, as well as their knowledge, attitudes, emotions and social norms (Altman, 2012) [4]. Financial behaviour consists of three main factors: how much people spend, save and stick to their budget. These three dimensions each represent a different but related aspect of a person's ability to manage his or her own money.

In terms of digital wallets, the easiest way to look at how people are using their money is through spending. Mobile payment systems are linked to more transactions, bigger transactions, and more shopping on the spot (Raj, 2026) [27]. The "savetest" effect refers to a lower psychological resistance to spend (cash) with digital payment methods. This is because the transaction is less visible and the methods are perceived as easier to use. Faraz & Anjum (2021) found a positive impact of spend perception on buying behaviour with impulse buying playing the role of mediator (Faraz & Anjum, 2025) [6]. This is directly related to the fact that the psychological resistance of customers has decreased after exposure. Mobile payments can cut down on all household expenses, but it is contingent upon the income and location of the family. Their effect is more pronounced on consumer goods and on expenditures for leisure time than on other expenditures (Aji & Adawiyah, 2022) [2]. Ahn and Nam (2022) [1] reported that mobile payment users tend to be less financially knowledgeable and spend beyond their means.

H_{o3}: financial literacy does not moderate the effect of digital wallet on financial behaviour among users in Cameroon

Empirical Review

Shetu, Islam and Promi (2022) [31] conducted a cross-sectional study among 330 participants aged between 18 to 35 years in Bangladesh to study the factors affecting continued use of digital wallets. The study used a combination of TAM. A non-probability random sampling technique was used and structured questionnaires were distributed to the Dhaka residents associated with the university. The direct path analysis results revealed a significant and positive relationship between continued use of digital wallets and perceived usefulness, perceived ease of use, compatibility, insecurity, and behavioral intention. However, no evidence was found for the proposed moderation of perceived technological innovativeness.

Kelly and Palaniappan (2023) [12] applied the Technology Acceptance Model to examine the factors of continued use of mobile money services among 406 respondents in the Savanna and Bono regions of Ghana. Structured survey questionnaires and structural equation modeling were used to analyze the study data. The findings of the study revealed that user's attitude and intention to continue to use mobile money services were strongly influenced by perceived risk, perceived cost, social influence, perceived usefulness and ease of use. However, perceived trust had an unexpected negative moderating effect on continued usage, possibly because users are more sensitive to trust violations in environments where fraud is common. In the specific regional context of the study, social influence via peer networks was the most important predictor of continued use of the service.

Almaiah *et al*., (2023) [3] studied the impact of perceived risk, perceived security, and perceived trust on the decision to use mobile banking applications by using structural equation modeling. They did it with a group of banking users in Saudi Arabia, for example." A new TAM based model with six types of countermeasures was proposed in the study and perceived security, perceived trust and service quality were validated as important factors for people in using mobile banking. In contrast, the perceived risk was found to have a statistically significant negative effect on the clients' trust and attitude toward mobile banking. The model shows the increase of usage rate is due to managing security risk issues by improving risk reduction and data protection ratios, and the decrease of trust and value views.

Musyoka and Mose, (2024) [23]. Policy Research Paper: Cybersecurity and Trust Issues in Digital Financial Inclusion in Africa. To try to do this they looked at case studies from a number of African countries, interviewed experts and crunched the numbers on incidents from across the continent. The study revealed that most of the hacking targets were financial institutions, costing Africa around $4 billion a year. African clients don't use or abandon digital financial services because they are victims of theft, but because they fear that they might be. The study identified a range of cyberattacks targeting African mobile money users and governance and regulatory gaps that increase security risks. Micro, Small and Medium Enterprises (MSMEs) make up more than 98% of businesses in Cameroon.

Methodology

Research design

The study was conducted utilizing a quantitative technique

that included data collection from a sample of participants using questionnaires, resulting in hypothesis testing (Lim, 2025) [17]. The research group included users of digital financial services in Douala and Yaoundé, Cameroon. The selection of 389 participants was done using a simple sampling technique. In this study, the convenience sampling technique was used since the sample was conveniently available throughout the research period which facilitated quick data collection. The data for this study were obtained from primary sources. Researchers utilize primary sources to acquire a complete understanding of the subject matter, using structured self-completed questionnaires that include all the key variables of the research. Closed-ended questions employing Likert scale items in the questionnaire collected quantitative data properly.

Validation Instruments

Validity and reliability are the two fundamental components of any study to validate the instruments used for the study. This is to have that credibility, trustworthiness, truth, value, applicability and consistency when talking about criteria for the assessment of the scientific quality of quantitative research.

Validity Test

The last, and most crucial, test of a case study is to show that the case study activities (data collection, procedures) are repeatable and provide the same findings for the validity of the instrument. The questionnaire was pre-tested on a much smaller sample so as to evaluate its validity to see whether the respondents could access questions on the instruments.

Reliability Test

The Cronbach's Alpha coefficient with a threshold of 0.70 considered acceptable for internal consistency of the instruments used and all the Cronbach's Alpha coefficients of the variables under study was above acceptable threshold of 0.70 confirming the reliability of the instruments used for the current study.

Table 1: Scale per Variable

Reliability Statistics		
Variable	**Cronbach's Alpha**	**Number of items**
Financial Behaviour	0.791	7
Digital Wallet	0.815	6
Financial Literacy	0.741	5

Source: Author Computation (2026)

Model Specification

In the context of the current study on the moderating effect of financial literacy on the effect of digital wallet on financial behaviour among users in Douala and Yaoundé, Cameroon, the model specification depended on the specific research questions and the type of analysis to conduct. This study is articulated around a single model as shown in the equations below.

$$\text{Financial behaviour} = \beta_0 + f(\text{Digital Wallet, Financial Literacy}) + \varepsilon \quad (1)$$

Where β_0 represents the intercept, and ε represents the error term. The regression analysis aimed to estimate the moderating effect of financial literacy on the effect of digital wallet on financial behaviour among users in Douala and Yaoundé, Cameroon.

$$Yt = \beta_0 + \beta_1 DW_1 + \beta_2 FL_2 + \beta_3 DW * FL_3 + \varepsilon \quad (2)$$

Where: Y stands for financial behaviour; DW stands for Digital wallet; FL represent financial literacy. The β_0 is a constant term, and β_1 to β_7 are estimated parameters in the model, and ε_t is an error term. The a priori expectation: $\beta_0 > 0$, $\beta_1 > 0$, $\beta_2 > 0$, $\beta_3 > 0$. The regression analysis coefficients showed the effect (positive or negative) of the independent variables on the dependent variable.

Estimation Technique

The study used the ordinary least squares technique (OLS) to estimate the coefficients (β) and explore the significant moderating effect of financial literacy on the effect of digital wallet on financial behaviour among users in Douala and Yaoundé, Cameroon. This technique was chosen over other techniques due to its flexibility under assumptions, and it is straightforward and easy to interpret.

Validation of Estimation Technique

Test for Multicollinearity

Multicollinearity is the correlation between independent variables when a high correlation is found between two or more predictor variables and this was validated as the variables did not experience any collinearity among them with a variance Inflation Factor (VIF) of 1.15 which was well below the acceptable threshold of 5 to 10

Heteroscedasticity Test

The presence of heteroscedasticity violates the unbiased property of OLS, jeopardizing the consistency of the computed parameter. The consequence is that the existence of the heteroscedasticity in the OLS estimation would lead to a false and unreliable success. Heteroscedasticity test The Breusch-Pagan/Cook-Weisberg test is used in this study to test for heteroscedasticity and the current study revealed the absent of heteroscedasticity.

Ethical Consideration

Ethical considerations of voluntary participation, informed consent and confidentiality have been properly addressed in this study. These concerns were dealt with enough to enhance the chances of getting honest replies from respondents, and hence more reliable data. Ethical considerations were included in each and every step of data collection of the investigation. During the development of the instruments for data collection, the researchers ensured that the questions asked, the language used, the length of the questionnaire and

the duration of the questionnaire were all adequate and acceptable to the respondents. Each questionnaire included a cover letter describing the aim of the study, so that the responder may decide whether or not to participate. The privacy of respondents was assured, since no identity was required on the questionnaire.

Results

Table 2: Demographic information

Variables	Frequency	Percent
Gender		
male	182	46.8
female	207	53.2
Total	389	100.0
Age group		
18–25 years	97	24.9
26–35 years	138	35.5
36–45 years	82	21.1
46–55 years	45	11.6
56 years and above	27	6.9
Total	389	100.0
Educational level		
No formal education	3	0.8
Primary education	13	3.3
Secondary education	108	27.8
Undergraduate degree / HND	183	47.0
Postgraduate degree (Masters/Ph.D.)	82	21.1
Total	389	100.0
Primary Digital Wallet Platform		
MTN Mobile Money (MoMo)	175	45.0
Orange Money	162	41.6
Express Union Mobile	24	6.2
Other	20	5.1
PayPal / international platforms	8	2.1
Total	389	100.0
Wallet Usage Duration		
Less than 6 months	28	7.2
6 months–1 year	47	12.1
1–2 years	81	20.8
3–5 years	120	30.8
More than 5 years	113	29.0
Total	389	100.0

Source: Author computation (2026)

Table 2 displays the 389 persons that participated in the research. Of them, 207 (53.2%) were female and 182 (46.7%) were male. The majority of the study population was between 26 and 35 years of age (138; 35.5%) followed by 18-25 years of age (97; 24.9%). The smallest category was those aged 56 years and above (27; 6.9%). Most of the respondents (183; 47.0%) have an undergraduate degree or HND. Next, secondary education (108; 27.8%) and postgraduate education (82; 21.1%) were seen, indicating the sample was mostly well-educated. The most popular digital wallet platforms were MTN Mobile Money (MoMo) (175 users; 45.0%) followed by Orange Money (162 users; 41.6%) respectively. The others were Express Union Mobile, various platforms and Paypal/international platforms. The majority of the respondents had been using electronic wallets for 3–5 years (120; 30.8%), next for more than 5 years (113; 29.0%), and lastly for 1–2 years (81; 20.8%), most respondents were female, aged between 26 and 35 years old, had some college education, and had used digital wallet services previously.

Table 3: Descriptive Statistics

Variable	Obs	Mean	Std. dev.	Min	Max
Digital wallet adoption	389	.5672665	.2635584	0	1
Financial Literacy	389	.5318766	.2724683	0	1
Financial Behaviour	389	.5264414	.2907259	0	1

Source: Author computation (2026)

The descriptive statistics reveal that the number of observations for each of the three variables was 389 and that all variables were assessed on a 0 to 1 scale. Average number of persons who used digital wallets was 0.5673 (SD = 0.2636) indicating that most people utilized digital wallets to a modest degree. The mean score of financial conduct was 0.5264 and the mean score of financial knowledge was 0.5319 (SD = 0.2725). In general, the findings indicate respondents interviewed had about average levels of using digital wallets, knowledge about money and being excellent with money.

Table 4: Pairwise Correlation Coefficients

Variable	Digital wallet adoption	Financial literacy	Financial behaviour
Digital wallet adoption	1.0000		
Financial literacy	0.4265	1.0000	
Financial behaviour	0.5073	0.3645	1.0000

Source: Author computation (2025)

The findings shown in Table 4 demonstrate that all the factors in this inquiry have a good connection. The use of digital wallets has a somewhat favourable correlation with financial literacy (r=0.4265) and financial behaviour (r=0.5073). The higher the use of digital wallets, the more careful the people tend to be financially. There is a positive, although not a particularly strong, relationship between financial literacy and the management of money (r = 0.3645). Therefore, the correlations are minor, and positive meaning the variables go in the same direction. The coefficients are not particularly large. This implies there is no serious multicollinearity problem between the main variables.

The moderating the effect of financial literacy on the effect of digital wallet adoption on financial behaviour in Cameroon

The results show that the three models are statistically significant as a whole (P > F = 0.0000) meaning that the explanatory variables have a substantial association with financial behaviour. Three models account for 25.74%, 28.42% and 28.60% of the variation in financial behaviour. The third model has the most explanatory power. The Breusch-Pagan tests are insignificant in all models ($\chi 2$ = 0.25, 0.28, and 0.20; p = 0.6159, 0.5971, and 0.6574), which means that there is no indication of heteroskedasticity and the assumption of constant variance is well satisfied. Further, the mean VIF values of 1.00, 1.22 and 2.52 are far less than the traditional cutoff of 10, indicating that there is no major multicollinearity among the explanatory variables.

Table 5: OLS result of the moderating the effect of financial literacy on the effect of digital wallet adoption on financial behaviour in Cameroon

Variables	Financial Behaviour	Financial Behaviour	Financial Behaviour
Digital wallet Adoption	.1854814*	.4744437***	.3894243***
	(.0987447)	(.0525154)	(.1022745)
Financial literacy		.1932552***	.1039887
		(.0507981)	(.1052204)
Digital wallet*Financial literacy			.1652405
			(.1705666)
Constant	.0736827*	.1545175***	.1953217***
	(.0369517)	(.0329736)	(.0534928)
Observations	389	389	389
R-squared	0.2574	0.2842	0.2860
P > F (overall significance)	0.0000	0.0000	0.0000
Breusch Pagan Chi 2	0.25	0.28	0.20
Breusch Pagan P-value	0.6159	0.5971	0.6574
Mean VIF	1.00	1.22	2.52

Note: Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1
Source: Author computation (2026)

The finding revealed that, in Model (1) the use of a digital wallet has a statistically significant positive effect on money management (β = 0.1855, p < 0.05). this implies that an individual's use digital wallets will lead to an increase in financial behaviour by 0.1855 unit points all things being equal, the finding further shows that, when financial literacy is included, the coefficient for Model (2) becomes much larger, β = 0.4744 (p<0.001) and statistically significant at 1% level of significance. This means that the good link between using a digital wallet and having excellent financial literacy has a stronger effect on financial behaviour. In Model 3 (Digital wallet use and financial awareness), the coefficient is β = 0.3894 (p < 0.001). The positive and statistically significant relationship between digital wallet usage and financial behavior exists even after controlling for the moderator variable.

The finding revealed that, Model (2) revealed that financial literacy has a significant positive coefficient β = 0.1933 (p < 0.001). This implies that there is a greater understanding of money as it relates to improved financial behaviour as long as individuals continue to use digital wallets. However, when we include the interaction variable between using a digital wallet and financial literacy, the coefficient for financial literacy drops to β = 0.1040 in Model 3, which is not statistically significant at this level. Thus, the impact of financial literacy on financial behavior is no longer statistically different from zero once we consider the interaction between digital wallet use and knowledge about money.

The finding further demonstrates that, in Model 3, the interaction term between using a digital wallet and financial literacy is positive (β = 0.1652, SE = 0.1706) but statistically not significant. According to the findings, there is no statistically significant evidence that financial literacy moderates the relationship between the use of a digital wallet and financial behaviour. The positive coefficient indicates a likely moderating impact but the large standard error relative to the coefficient means that this moderating effect cannot be statistically demonstrated. Thus, Model (3) does not support the hypothesis that financial education plays a significant role in reducing the effect of having a digital wallet on money behaviors.

Discussion of Results

Results show that digital wallet use has a positive and statistically significant impact on managing money approaches of individuals (Model (1), $\beta = 0.1855$, $p < 0.05$). Model (2), $\beta = 0.4744$, $p < 0.001$. The effect is stronger when people know more about money. This is consistent with the findings of Shetu, Islam, and Promi (2022) [31] who found that the length of use of a digital wallet was significantly affected by the perceived usefulness and ease of use of the digital wallet. One examined sustained adoption; the other, financial behavior. Both studies point to the promise of positive financial results from the utility and accessibility of digital financial technology.

The result of Model (2) indicates that the effect of financial literacy is positive and significant ($\beta = 0.1933$, $p < 0.001$). This implies that the higher the level of financial knowledge individuals possess, the better they are at managing their money. However, this result is different from Shetu, Islam, and Promi (2022) [31] whose study was on the factors that sustained persons to use digital wallets rather than if learning about money makes people better with their money. Kelly and Palaniappan (2023) [12] also found that perceived value, social effect, perceived cost, and perceived risk were all important variables for consumers to continue to use mobile money. While their research is not directly on financial literacy, their findings are in line with the existing theory that the effect of digital financial services on behavior is contingent upon the individual and their interpretation of things.

Although knowledge about money was positively associated with digital wallet usage, the association was not significant ($\beta = 0.1652$, SE = 0.1706). The study shows that financial literacy does not have a statistically significant effect on the relationship between the use of a digital wallet and people's money management. This outcome is consistent with the findings of Shetu, Islam and Promi (2022) [31]. The other thing they found was that the imagined technology innovation didn't make much difference to the outcomes. It also resembles the study by Kelly and Palaniappan in 2023[12] when perceived trust had an unexpected moderating effect. It implies that the existence of a moderator does not necessarily imply a stronger relationship between adoption of digital banking and outcomes. This result is different from Model (2) that financial literacy has a positive direct effect on financial behavior. It shows that financial literacy has a direct effect on financial behavior but does not mediate the relationship between digital wallets and financial behavior. Also, the safety concern raised by Sambuli, Anthony and Sharma (2024), particularly users' fears of scams and security risks, may explain why money literacy does not necessarily impact how people use digital wallets.

Conclusion

The present research aims to analyze the link between the usage of a digital wallet and the financial behavior of individuals in Cameroon by focusing on the moderating role played by financial literacy in this connection. The results show that usage of digital wallet has good and significant impact on financial behaviour, with the inclusion of financial literacy was in Model 2 the association between financial literacy and financial behavior was positive and significant. This means that users having financial literacy are more likely to be responsible with their money. Nevertheless, the direct effect of money awareness was not statistically significant when the relationship between digital wallet uses and financial behaviour was tested ($\beta = 0.1040$, $p > 0.05$). Furthermore, the interaction term was positive but not statistically significant ($\beta = 0.1652$, SE = 0.1706, $p > 0.05$). The direction of the interaction implies a possible moderating effect, however, the study showed that financial competence did not significantly moderate the association between digital wallet use and being good with money. In conclusion, digital wallet use remains a very good predictor of how people will handle their money. For policy recommendations people should be encourage to use digital wallets responsibly. Banks, mobile-money businesses and regulators should promote the usage of digital wallets since users tend to behave better with their money. But along with advertising, measures must be put in place to defend against impulse purchasing, over-transaction and other risks related to digital financial services. Financial institutions should incorporate financial literacy with internet banking: Mobile money operators, banks and fintech firms may add to digital wallet systems short notifications about money, planning tools, reminders to save and the possibility to keep an eye on expenditure. It could help people use what they know about money to make smart money choices.

References

1. Ahn SY, Nam Y. Does mobile payment use lead to overspending? The moderating role of financial knowledge. Comput Human Behav. 2022;134:107319.
2. Aji HM, Adawiyah WR. How e-wallets encourage excessive spending behavior among young adult consumers? J Asia Bus Stud. 2022;16(6):868-84.
3. Almaiah MA, Al-Otaibi S, Shishakly R, Hassan L, Lutfi A, Alrawad M, *et al*. Investigating the role of perceived risk, perceived security and perceived trust on smart m-banking application using SEM. Sustainability. 2023;15(13):9908.
4. Altman M. Implications of behavioural economics for financial literacy and public policy. J Socio Econ. 2012;41(5):677-90.
5. Awounang C, Ndzana M, Mvogo G, Abdullah A. Understanding the Bill Payment through Mobile Money in Cameroon: An Analysis Based on Delone and McLean's Information System Success Model. 2026.
6. Faraz N, Anjum A. Spendception: The psychological impact of digital payments on consumer purchase behavior and impulse buying. Behav Sci (Basel). 2025;15(3):387.
7. Fernandes D, Lynch Jr JG, Netemeyer RG. Financial literacy, financial education, and downstream financial behaviors. Manage Sci. 2014;60(8):1861-83.
8. George AS. Finance 4.0: The transformation of financial services in the digital age. Partners Universal Innovative Research Publication. 2024;2(3):104-25.
9. Jameaba MS. Digitalization, emerging technologies, and financial stability: Challenges and opportunities for the Indonesian banking industry and beyond. 2022. DOI: 10.32388/CSTTYQ.2.
10. Kalyani P. An empirical study about the awareness of paperless E-currency transaction like E-wallet using ICT in the youth of India. J Manag Eng Inf Technol. 2016;3(3):18-41.
11. Kamal M, Rahmani S, Alam MR. Beyond traditional banking: How FinTech is reshaping financial access in India. Available at SSRN 5122110; 2025.

12. Kelly AE, Palaniappan S. Using a technology acceptance model to determine factors influencing continued usage of mobile money service transactions in Ghana. J Innov Entrep. 2023;12(1):34.
13. Koskelainen T, Kalmi P, Scornavacca E, Vartiainen T. Financial literacy in the digital age—A research agenda. J Consum Aff. 2023;57(1):507-28.
14. Kouladoum JC, Wirajing MAK, Nchofoung TN. Digital technologies and financial inclusion in Sub-Saharan Africa. Telecommun Policy. 2022;46(9):102387.
15. Lewis M, Perry M. Follow the money: Managing personal finance digitally. In: Proceedings of the 2019 CHI Conference on Human Factors in Computing Systems; 2019 May. p. 1-14.
16. Liao CF, Chen CD. Financial Literacy and Mobile Payment Behaviors. J Account Finance. 2020;20(7).
17. Lim WM. What is quantitative research? An overview and guidelines. Australas Mark J. 2025;33(3):325-48.
18. Lusardi A. Financial literacy and the need for financial education: evidence and implications. Swiss J Econ Stat. 2019;155(1):1.
19. Manda VK, Yadav A, Khaliq LN. Role of payment systems in financial well-being: An examination from India. In: Emerging Perspectives on Financial Well-Being. IGI Global Scientific Publishing; 2024. p. 228-51.
20. Metzger M, Riedler T, Wu JP. Digital remittances: the role of alternative money transfer channels. In: FinTech Research and Applications: Challenges and Opportunities. 2023. p. 419-67.
21. Mousa S. Unleashing the Potential of Industry 4.0 for Financial Inclusion. In: Financial Inclusion, Sustainability, and the Influence of Religion and Technology. IGI Global Scientific Publishing; 2024. p. 253-85.
22. Muslim M. The evolution of financial products and services in the digital age. Adv Econ Financ Stud. 2024;2(1):33-43.
23. Musyoka SM, Mose T. Zero Trust Maturity Model And Cyber Resilience in Mobile Money Providers in Nairobi City County, Kenya. Int J Soc Sci Manag Entrep. 2024;8(3).
24. Natile S. Digital finance inclusion and the mobile money "social" enterprise. Hist Soc Res. 2020;45(3):74-94.
25. Ndassi Teutio AO, Kala Kamdjoug JR, Gueyie JP. Mobile money, bank deposit and perceived financial inclusion in Cameroon. J Small Bus Entrep. 2023;35(1):14-32.
26. Pazarbasioglu C, Mora AG, Uttamchandani M, Natarajan H, Feyen E, Saal M. Digital financial services. World Bank. 2020;54(1):1-54.
27. Raj YA. Digital Payment Systems and Their Transformative Role in Modern Marketing Strategies. In: Impacts of Digital Payment Systems on Marketing. IGI Global Scientific Publishing; 2026. p. 109-38.
28. Raya JM, Vargas C. How to become a cashless economy and what are the determinants of eliminating cash. J Appl Econ. 2022;25(1):543-62.
29. Ricci L, Ricci MLA, Ahokpossi MC, Quayyum MSN, Quayyum S, Turk MRA, *et al*. Digital payment innovations in sub-Saharan Africa. International Monetary Fund; 2025.
30. Rui Z, Yang C, Zhenying G, Bhaumik A. A look at the rising popularity of cashless economies around the world. Int J Recent Trends Bus Tour. 2023;7(3):16-32.
31. Shetu SN, Islam MM, Promi SI. An empirical investigation of the continued usage intention of digital wallets: the moderating role of perceived technological innovativeness. Future Bus J. 2022;8(1):43.
32. Tengeh RK, Gahapa Talom FS. Mobile money as a sustainable alternative for SMEs in less developed financial markets. J Open Innov Technol Mark Complex. 2020;6(4):163.
33. Tinyinondi GA. Financial development and economic growth–the role of mobile money: empirical evidence from Sub-Saharan Africa and a comparative study of Kenya and Uganda. 2025.
34. Wamba SF, Queiroz MM, Blome C, Sivarajah U. Fostering financial inclusion in a developing country: predicting user acceptance of mobile wallets in Cameroon. J Glob Inf Manag. 2021;29(4):195-220.
35. Yeo KHK, Lim WM, Yii KJ. Financial planning behaviour: a systematic literature review and new theory development. J Financ Serv Mark. 2024;29(3):979-1001.
36. Zaccaria G. Let's be friends not foes: an assessment of the strategic co-evolution of the World Bank and the AIIB in the face of institutional overlap. In: The Elgar Companion to the World Bank. Edward Elgar Publishing; 2024. p. 166-77.

How to Cite This Article
Aluman GM. Does financial literacy matter? The nexus between digital wallet adoption and financial behaviour: insights from Cameroon. Int J Manag Organ Res. 2026;5(5):41-48.