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The Role of Digital Financial Services in Promoting Financial Inclusion in Developing Economies Evidence from Nigeria.

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Abstract

This study aims to investigate the role of digital financial services in promoting financial inclusion in developing economies evidence from Nigeria. Three research questions guided the study. The research design employed was descriptive research survey, and the population of the study was 400 while the sample size was the same because the population is manageable. The method of data collection was questionnaire which was distributed to the respondents and were returned accordingly. The study adopted descriptive statistics and simple linear regression as the econometric tools. The results of the study indicate a positive relationship between Digital Financial Services (DFS) and Financial Inclusion (FI) in Nigeria. This implies that 52% of the improvement in financial inclusion comes from the people using digital technology. Therefore, the research concludes that digital financial services (DFS) has positively affected financial inclusion in Nigeria by moving it forward. Thus, the study identifies some problems, such as poor internet connectivity, fraud, and fees that sting, but still, Digital Financial Services (DFS) remains the driver, helping more people access financial services. It was recommended that the government and stakeholders should enhance internet connectivity, electricity, and mobile network coverage to increase access to digital financial services.

Keywords: Digital Financial Services, Financial Inclusion, Economies, Nigeria

Introduction

Digital Financial Services (DFS) have demonstrated that they are effective solutions to enhancing access to financial services, especially in developing nations where the banking infrastructure is poorly developed. DFS includes technologies of mobile money, digital banking platforms, USSD banking, and internet payment platforms, through which a customer can carry out financial transactions via mobile phones and the internet. DFS can also reach the unbanked population of the nation by opening the gap to access for a greater number of people and deliver alternative service solutions to banking (Nkechika, 2022).

In Nigeria, for instance, a considerable number of the adult population has always been excluded from accessing formal financial services through DFS platforms such as mobile banking applications and e-wallets due to geographical, infrastructure, and cost of transaction constraints. However, the adoption of DFS platforms has reduced these challenges since users can save, send money, and access credit remotely using basic mobile phones (Amobi et al., 2025; Onah Kelvin Amobi et al., 2025). Research indicates that the adoption of DFS platforms has a positive relationship with financial inclusion outcomes since users of digital platforms have improved access to credit, payment services, and other financial products that were not accessible before (Ayodele & Oluwabusuyi, 2025).

However, despite these improvements, some challenges still exist that hinder the full potential of DFS in promoting financial inclusion. Some of these challenges include poor internet connectivity, lack of digital literacy, and infrastructure, among others, which still hinder wider adoption of DFS among the unbanked population, particularly in rural areas (Onah Kelvin Amobi et al., 2025). Therefore, policymakers, financial institutions and development partners, which are pursuing the objective of improving economic development and curbing financial inclusion must be knowledgeable of the role of digital financial services (DFS) in financial inclusion in Nigeria. The primary purpose of the research was to determine the Role of Digital Financial Services in Promoting Financial Inclusion in Developing Economies Evidence in Nigeria, and the objectives of the study are as follows (i) to examine the impact of Digital Financial Services on financial inclusion of adult Nigerians. (ii) to obtain the factors that drive the adoption of Digital Financial Services to financial inclusion. (iii) to determine the issues that limit the effectiveness of Digital Financial Services in facilitating financial inclusion in Nigeria.

Research questions

1. What are the impact of Digital Financial Services on financial inclusion among adult Nigerians?
2. What are the factors that drive the adoption of Digital Financial Services for inclusive financial access?
3. What are the issues that hinder the success of Digital Financial Services in promoting financial inclusion in Nigeria?

Literature Review plume

Concept of Digital Financial Services

Digital Financial Services (DFS) are technology-driven financial solutions that revolutionize the way people and businesses access and utilize financial services. DFS not only provide basic transaction channels but also combine payment services, savings, credit, insurance, and money transfer services into digital platforms. DFS increase efficiency by lowering transaction costs, speeding up processing times, and increasing convenience. In developing countries, DFS are essential in closing financial inclusion gaps, encouraging cashless transactions, facilitating economic engagement, and improving financial inclusion. The scalability, usability, and analytics-driven nature of DFS make them indispensable in the innovation and development of the financial sector (Nkechika, 2022).

As Nkechika (2022) highlights, DFS have low entry barriers in that they rely less on traditional bank branches, hence cutting down on the constraints of distance, costs of transactions, and the need for extensive documentation. This increases accessibility, especially for the rural population. In support of the argument, Ozili (2018) observes that technology enhances the efficiency, affordability, and scalability of services, allowing service providers to serve low-income clients at a lower cost of operation. Therefore, DFS facilitate greater access to formal financial services, enhance convenience, and facilitate financial inclusion by bringing in the excluded through savings, payment, and credit services.

Concept of Financial Inclusion

Financial inclusion refers to the delivery of affordable, accessible, and appropriate financial services to all sections of society, including individuals, micro-enterprises, and small businesses. Financial inclusion ensures that people can access savings, credit, insurance, payment, and investment services conveniently and safely. The Central Bank of Nigeria (CBN, 2020) defines financial inclusion as the process of closing gaps in access to financial services, particularly for underserved populations in rural and low-income areas.

However, financial inclusion contributes to economic development, poverty reduction, enhanced employment opportunities, and improved social welfare. In Nigeria, financial inclusion policies highlights expanding

banking access, promoting digital financial services, and decreasing the proportion of adults without access to financial services (World Bank, 2022).

Conceptual Framework

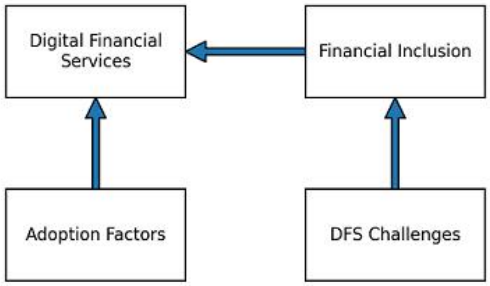

Fig. 1

Challenges Affecting DFS Adoption

Notwithstanding the benefits, there are barriers some studies detected.

In the study of Ozili (2018), some institutional and structural hurdles to the effectiveness of digital financial services in Nigeria. The challenges are as follows; insufficient digital infrastructure, such as unstable internet connectivity and unreliable power supply, which impede both access and transaction reliability. Limited financial and digital literacy further constrains individuals' capacity to utilize digital financial services effectively. In other words, strict regulations and policies upsurge compliance costs and deter innovation. Thus, cyber security threats and a lack of trust intensify these barriers.

Conversely, Nkechika (2022) assert that there are challenges faced on the acceptance of Digital Financial Services in Nigeria because of infrastructure, education and behavior. Thus, poor internet connectivity and irregular tech development are the major factors that hinders access, especially in rural areas. Additionally, people find it difficult to understand and make use of DFS systems because of digital and financial illiteracy. Also, lack of trust which is determined by fears of unsuccessful transactions and fraud play a role on this. More so, gaps in technology and inadequate support infrastructure, like unsteady power supply, worsen the digital divide.

Similarly, there are some challenges identified by Aruwa et al (2025) which obstructs the use of Digital Financial Services in Nigeria. They are, inadequate network coverage and digital infrastructure, thus the outcome include failed transactions and unreliable services. However, there are vital factors that destabilizes user trust and discourage them from using DFS services such as cybersecurity threats, involving fraud and data risks. In other words, a lack of awareness and digital skills impacts users' understanding of the benefits and features of DFS services.

Theoretical Link between DFS and Financial Inclusion

The theories of financial intermediation and technology adoption is basically the connection between Digital Financial Service (DFS) and financial inclusion. Moreover, these theories highlighted on accessibility, acceptance and efficiency. It also emphasizes on DFS lower transaction charge, reduce physical barriers and allow real-time financial contact, this helps those who are unbanked. In the study of Ozili (2018), he argues that

digital finance reduces structural challenges such as distance, documentation requirements and high service fees. Likewise, Demirgüç-Kunt et al. (2018) demonstrate that mobile money and digital payments accelerate the expansion of account ownership in developing countries. In addition to expanding inclusion, DFS also deepen inclusion by enhancing convenience, promoting savings habits, facilitating micro-transactions, and creating digital trails for credit access.

Empirical Review

Amobi et al (2025), investigated the effect of digital payment systems on financial inclusion among Nigerians. The survey conducted among 400 participants showed that 62.5% of the respondents have benefited from improved financial service accessibility using digital payment systems, with mobile money accounts and bank mobile applications being the most preferred platforms. The major factors that contributed to the adoption of digital payment systems included the availability of internet access (30%) and educational level (25%), while infrastructural issues like poor internet connectivity (40%) and power outage (22.5%) were the major hindrances. Security issues (32.5%) and lack of trust (27.5%) were found to be the major challenges in the effective functioning of the system. The results of the study indicate that digital payment systems have improved financial inclusion, but it is necessary to overcome infrastructural deficiencies and apprehensions among users to achieve wider and effective adoption.

Ozili (2018) offers a discussion on some of the issues that exist in digital finance and an area that has not been critically examined in the literature. There are numerous benefits of digital finance and financial inclusion to those who consume the financial services, digital finance service providers, governments, and the economy; despite that, there are still a number of problems that may arise and when resolved, people, businesses, and governments can find even greater benefits of using digital finance. The discussed issues of digital finance are pertinent to the modern debate and country-level initiatives which would enhance financial inclusion with the assistance of digital finance in the developing and emerging economies. The researchers have discovered that the effect of financial innovation in digital form has a positive influence on financial inclusion in terms of raising access to banking products and reducing the rates of exclusion. The paper points out that mobile banking and digital payment systems are a grave threat in fiscal participation.

According to Nkechika (2022), in Nigeria, technology is the factor that is ushering in an era of financial innovation and convenience through Digital Financial Services. It attempts to fulfil various needs of the people helping the governments in solving the emerging challenges and seeing in the new technology the possibility of a new competitive environment. Financial inclusion is aimed at making sure that as many of the unserved and underserved Nigerians become a part of the formal financial sector as there are. Thus, digital financial services are identifying the loopholes within the market that would allow the Federal government to serve more people than ever before, using technology. The research paper shows that DFS have significantly contributed to the growth of financial inclusion in Nigeria by mobile banking, agency banking, and electronic payment systems.

Similarly, Aruwa et al. (2025) argue that the “challenges of financial exclusion in developing economies have attracted more attention to digital payment solutions as possible avenues for improving access to financial services. The study looked at how digital payment solutions impact financial inclusion in Nigeria. The study examined accessibility, adoption, and financial well-being outcomes associated with digital payment solutions. A structured questionnaire was used in the collection of data that was done through convenience sampling; the sample used was 293 participants aged between 18 and 55 years in South-West Nigeria. The data collected on the relationship between the adoption of digital payments and financial inclusion outcome were analyzed using both descriptive and inferential statistics. Results showed Awareness, mobile network subscription and financial literacy had the greatest role towards digital payment access and use. Digital payment solutions positively impact unbanked Nigerians' financial wellness status in terms of safety in payment, accessibility to money

transfer services, and financial stability however limited systemic adoption was contributed by technological factors such as digital divide and poor infrastructure.

Ayodele and Oluwabusuyi (2025) examined Digital Financial Services Adoption and Financial Inclusion in Emerging Economies: Evidence from Nigeria. The main aim of the study was to find out whether DFS are really bringing people into the financial system, helping them get access to financial services and become part of the larger economy. In a developing country like Nigeria where many people are yet to have a bank account, DFS allows many people to embrace the financial system. The study surveyed 300 participants across Nigeria, and employed descriptive stats, correlation and regression analysis as the statistical tools. The findings show that people who handle DFS such as mobile banking and e-wallets, can more easily get credit and payment services. It also shows that those who are digitally literate enjoy great benefits from these services. The regression result with a R^2 equals 0.63 shows that the model explains 63% of the variation in financial inclusion. However, using digital platforms actually helps people make payment, savings, and credit services. The study therefore conclude that both DFS and digital literacy are crucial for boosting financial inclusion in Nigeria.

Abdallah-Ou-Moussa et al. (2025) investigated Blockchain, Cryptocurrencies, and Decentralized Finance: A Case Study of Financial Inclusion in Morocco. The study pointed out that blockchain is playing a bigger role in the world's financial systems and it is the backbone of cryptocurrencies such as Bitcoin and DeFi which are shaking up the old ways of banking by offering people new options. The study seeks to find out whether blockchain, cryptocurrencies and decentralized finance can aid Morocco people access financial services. The study examines how crypto might help with things like subsiding high transaction fees, making financial services easier to reach in rural areas, and tackling low financial literacy. The study employed both surveys and interviews with experts and analyzed the data collected using UTAUT framework. The findings show that crypto charges lower transaction fees and always accessible though there are still some barriers such as unclear regulations, worries about security and tech challenges. The research recommends that if Morocco wants to get the most of crypto, there is need to set up better technology, strong regulations and also more education about digital finance. Thus, for anyone making policy or building tech in developing countries, setting up these systems is key to making sure crypto actually helps people.

According to Chopra et al. (2026), examined the Digital public infrastructure as a driver of financial inclusion in India. The study investigated the role of two building blocks of digital public infrastructure such as digital identity and digital payments in achieving financial inclusion in a sustainable and walkable manner. The study also examined the role of demographic and income variables in financial participation thus, Ordinary Least Squares (OLS) and Autoregressive were the statistical tools employed for the study. According to the findings, financial inclusion involves having equitable access to financial services in the formal economy in the search of inclusive and sustainable development. It also indicates that demand and supply of financial support can be never met. The paper found out that the digital public infrastructure, including the support of Aadhaar, the unified payment interface, and account aggregators has turned around the situation in accessibility to banking, payment, and credit in India into an establishment of a financially inclusive fashion in a sustainable fashion. Another threat to the future effectiveness of these inclusion efforts identified by this research is the requirement to secure the privacy of information, the requirement to maintain the last-mile connectivity, and the requirement to avoid idle accounts. The research finds that, with the proposal of policy recommendations and innovative study interventions capable of being futuristic, like focused financial education and determined but convenient digital financial services to sustain financial inclusion and growth, sustainable financial inclusion and growth might be achieved.

Mustapha (2025) examined the Role of Digital Marketing Strategies in Enhancing Productivity and Financial Inclusion in Emerging Banking Sectors: Evidence from Nigeria. The study finds out how digital marketing shapes productivity at United Bank for Africa (UBA). The research focused on social media marketing, content marketing, email campaigns, and SEO. Using survey research design and crunching the numbers, the study

links the dots between the digital strategies and the performance of the bank. The study discovered that social media and content marketing really boost productivity. On the contrary, Email marketing does not enhance productivity but SEO helps a bit. This is because people prefer platforms where they can really interact more and have lost interest in email. The study results were based on the Resource-Based View (RBV) and Technology-Organization-Environment (TOE) theory, which indicates that digital skills really improved the productivity of the bank. In other words, smart digital marketing helps banks make financial services more accessible, reduced costs, and keep customers engaged which is essential in Nigeria's fast-changing banking world. In conclusion, the study emphasizes that strategic digital marketing not only enhances firm performance but also fosters economic growth in emerging markets.

Dias & Perera (2026), assessed the Systematic Literature Review (SLR) carried out following the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines on the role of different digital financing options in improving Financial Inclusion. It is a systematic study of 50 journal articles published in Scopus in 2013-2025 based on a mixed method of bibliometric and meta-analysis. The current review has pointed out the growth of popularity of the digital means of financing, in the form of credit cards, debit cards, e-wallets, mobile banking applications, mobile wallets, electronic banking, agency banking and online banking transfer. The empirical literature has identified the critical digital financing option to financial inclusion as four major themes that comprise (1) Mobile Empowered Financial Inclusion, (2) Digital Financial Services to Financial Inclusion, (3) Fintech-driven Financial Inclusion to economic Growth, and (4) Financial System adoption to Digital Financial Inclusion and problems. According to the work findings, the digitalization of funding sources has escalated the level of financial inclusiveness as it enhances access, availability, and quality utilization of marginalized communities in the global world. However, the current issues of the digital financial system including digital financial illiteracy, government policy, gender and income-based socio-economic inequality, and the infrastructure have represented obstacles to access digital financing by the marginalized groups. The review establishes that effective application of digital payment options in an inclusive financial system only works in a favorable policy environment, not to mention the technological environment.

Umar et al (2025), investigated the Threshold Analysis, Financial Inclusion and Financial Stability in Developing Economies: Assessing the Moderating Role of Digital Financial Inclusion. The primary aim was to explore the connection between financial inclusion and financial stability in the economies in developing countries, in particular, the moderating role of digital financial inclusion (DFII) and the determination of threshold effects. The researchers used 72 developing nations between 2012 and 2022 as the sample population and the compound financial stability index (FSI) as a measure of financial health and market depth was data collected by using the Principal Component Analysis (PCA). The research had used a dynamic panel model with two-step System GMM estimator as the statistical model. The model findings of the inclusion dimensions reveal that penetration and usability of the financial services influence financial stability (FSI), in other words, accessibility affects the financial stability in a positive way. In addition, model 2 analysis indicates that the traditional financial inclusion (TFI) and digital financial inclusion (DFI) are negatively correlated with the indexes and financial stability. Yet, the results of the third moderation model indicate that an impact of the traditional financial inclusion (TFI) on the digital financial inclusion (DFI) is extremely mediated by the digital financial inclusion (DFI) by enhancing accessibility, transparency and efficiency. This study analyzes model 5, which determines that there is a threshold effect on the benefits of inclusion, which will decrease and will possibly counter the effect beyond a specific threshold. The findings suggest that balanced financial inclusion policies including both traditional and digital financial services are required.

Galindo-Manrique, & Rojas-Vargas, (2025), analyzed the impact of Digital Financial Services on the reduction of the Gender Gap in Low-Middle-Income Economies: A Bayesian Machine Learning Approach. Women in emerging countries are faced with distinct challenges that are embedded in their culture, socio-economic conditions, and lack of education and technology. This means that bridging the economic gap between women in such countries may be assisted by closing the digital gender divide and availing them financial services. The research question was discussed to answer the following: How much can digital financial services improve

gender gap with respect to access and utilization of financial services in low and middle income economies? The ratio of the accounts women had to the number of all the accounts included the integration of gender. They comprised eight components which formed digital financial inclusion, they are mobile money account, holding money in financial institutions, Internet access, mobile phone ownership, savings, in financial institutions, making or receiving a digital payment and shopping with mobile phone or Internet. The information was taken into consideration on the basis of the Bayesian regression model calculated with references to the Global Findex Database covering 73 low and lower-middle-income economies during the period between 2011 and 2022. The use of the Machine Learning approach evaluates the predictive capability of the model to predict the autonomy of women and the contribution of digital finance. The results show that digital financial services will reduce the gender gap in the low income economies as more open accounts, especially among women, will be opened. The results can be applied in formulating policies to bridge the gender gap. The results can be used in relation to the UNSDG agenda, namely Goal 5 and Goal 10.

Gap in Literature

The majority of research on digital financial services in Nigeria is devoted to the level of adoption and access, however, there is low empirical evidence on the role of DFS, in specific ways on the achievement of financial inclusion across the various demographic levels in Nigeria.

Methodology

This research work employed a descriptive survey research design. The descriptive survey design was considered suitable for this research since it will allow the researcher to obtain quantitative data from respondents to investigate the relationship between Digital Financial Services (DFS) and financial inclusion. The study population consist of adult Nigerians who are users or potential users of digital financial services. This include people who have access to mobile phones, banking, or digital payment services. A sample of respondents was chosen using a multi-stage sampling technique. A sample size of 400 respondents was employed to ensure adequate representation. The instrument of data collection was a structured questionnaire with the title: “Digital Financial Services and Financial Inclusion Questionnaire (DFSFIQ)”. The data collected was analyzed using descriptive and inferential statistics. The study used the mean, standard deviation, and simple linear regression analysis as the econometric tools.

Model Specification

The functional model:

$FI = f(DFS)$

Econometric model:

$FI = \beta 0 \quad + \beta 1 \quad DFS + \varepsilon$

Where:

- **FI** = Financial Inclusion
- **DFS** = Digital Financial Services
- β_0 = Constant
- β_1 = Coefficient

- ε = Error term

Data Analysis and Results

Research Question One: What are the impact of Digital Financial Services on financial inclusion among adult Nigerians?

S/N	Statement	SD	D	N	A	SA	Mean	SD
1	Easier access to financial services	50	108	40	102	100	**3.24**	1.40
2	Improved ability to save money	80	120	30	110	60	**2.88**	1.40
3	Convenient payments/receipts	40	80	50	148	82	**3.38**	1.28
4	Easier access to loans/credit	60	85	42	122	91	**3.25**	1.40
5	Enhanced formal participation	58	99	44	97	102	**3.22**	1.43
6	Better financial decision-making	90	86	53	84	87	**2.98**	1.48
	Grand Mean (Inclusion Index)						**3.16**	**1.40**

The Grand Mean of 3.16 indicates that DFS has a moderately positive effect on financial inclusion. The respondents are most strongly of the opinion that DFS enables Convenient Payments (Mean: 3.38) and Easier Access to Loans (Mean: 3.25). This indicates that DFS is successfully shifting Nigerians away from cash transactions. The lower mean for Regular Saving (Mean: 2.88) indicates that DFS is successfully encouraging Nigerians to spend and borrow, but has not yet fully convinced them to save through digital means. A high SD of 1.40 shows there's a big difference in how people save. The finding is different from what Aruwa et al (2025) found that digital payment solutions really boosted the financial health of unbanked Nigerians, especially when it came to payment security, easy money transfers, and keeping finances safe.

Research Question Two: What are the key factors that influence the adoption of Digital Financial Services for inclusive financial access?

S/N	Statement	SD	D	N	A	SA	Mean	SD
1	Ease of use and understanding	40	68	56	114	122	**3.53**	1.34
2	Mobile/Online accessibility	51	76	38	130	115	**3.44**	1.39
3	Trust in platform safety	110	98	92	46	54	**2.59**	1.35
4	Low transaction costs	54	46	32	112	156	**3.68**	1.43
5	Peer recommendations	74	96	20	126	84	**3.13**	1.46
6	Customer support availability	65	48	35	116	136	**3.53**	1.46
7	Promotions and incentives	58	86	22	107	127	**3.40**	1.47
	Grand Mean (Adoption Factors)						**3.33**	**1.41**

This table shows a Grand Mean and SD of 3.33 and 1.41 respectively indicating that these factors draw people in adopting DFS. Low transaction cost top the list with a total Mean of 3.68 showing that it is the highest motivator, while ease of use and customer support follows suit with the total Mean of 3.53. However, because of saving money and easy experience, most Nigerians decided to adopt DFS. On the other hand, trust comes last with a Mean of 2.59. This indicates that people use digital financial services because it is easier and cheaper and not because they actually trust the platforms. This is in agreement with what Ayodele and Oluwabusuyi (2025) found: using these services really does boost financial inclusion. Folks who use mobile banking and e-wallets get better access to credit and payment options.

Research Question Three: What are the challenges limiting the effectiveness of Digital Financial Services in promoting financial inclusion in Nigeria?

S/N	Statement	SD	D	N	A	SA	Mean	SD
1	Poor internet connectivity	40	70	90	102	98	**3.37**	1.29
2	Lack of awareness/Education	56	92	37	120	95	**3.27**	1.40
3	High transaction fees	98	128	48	72	54	**2.64**	1.37
4	Fear of fraud/Cybercrime	54	72	46	128	100	**3.37**	1.38
5	Limited digital literacy	55	75	21	89	60	**3.08**	1.44
6	Inadequate infrastructure (Power)	47	58	32	103	160	**3.68**	1.42
	Grand Mean (Challenges Index)						**3.24**	**1.38**

The table above indicate that people see more challenges than benefits with the Grand Mean and SD of 3.24 and 1.38 respectively. The most challenging factor is Poor infrastructure such as unstable power supply and poor internet connectivity with a Mean score of 3.68. Fear of fraud/cybercrime and poor internet connectivity have Mean score of 3.37 which is neither great nor poor. Thus, digital literacy has a Mean score of 3.08 which indicates that many people have the necessary basic skills needed to access DFS. The real challenging factors are unreliable network and unstable power supply. These results line up with Ozili's 2018 study, which showed that digital financial innovation actually helps people get better access to banking and reduces how many are left out. So the skills are there, but the environment still needs work.

Regression Result

Variable	Coefficient (β)	Std. Error	t-stat	p-value
Constant (\beta_0$)	0.762	0.154	4.95	0.000
DFS Adoption (\beta_1)	0.721	0.046	15.67	0.000

The table above shows the regression coefficient result (beta_1 = 0.721) which indicate a strong positive and statistically significant effect. However, this shows that each time there is rise in the adoption of and efficiency of digital financial services (DFS) by one unit, there would also be a rise in financial inclusion among Nigerians by 0.72 units. Moreover, the Mean value of 3.16 shows a moderate level of financial inclusion recently in Nigeria. This mostly comes down to better payment convenience (mean 3.38) and easier access to loans (mean 3.25).

Summary of Findings

The study indicate a positive relationship between Digital Financial Services (DFS) and Financial Inclusion (FI) in Nigeria. This implies that 52% of the improvement in financial inclusion comes from the people using digital technology. However, due to the effectiveness of the cost and the easy operation of the services, more people go digital. Thus, everything is not smoothly moving. The most persisting challenges are weak infrastructure and people's fear about digital security.

Conclusion

Conclusively, digital financial services (DFS) has positively affected financial inclusion in Nigeria by moving it forward. Thus, the study identify some problems such as poor internet connectivity, fraud, and fees that sting still Digital Financial Services (DFS) remain the driver helping more people access financial services. However, for more people to get involved in the financial system, Nigeria has to boosts its infrastructure, builds trust, and ensure that these services are more affordable.

Recommendations

The study thus recommends the following;

1. Improve Digital Infrastructure: The government and stakeholders should enhance internet connectivity, electricity, and mobile network coverage to increase access to digital financial services.

2. Improve Consumer Trust and Security: Financial institutions should invest in better cybersecurity to build consumer trust and confidence.

3. Promote Financial and Digital Literacy: Education programs should be established to boost users' understanding and effective use of digital financial services.

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