

UPTAKE AND UTILISATION OF FINANCIAL INCLUSION SERVICES AMONG RURAL YOUTH ENTREPRENEURS: PROGRESS OR REGRESS?

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Article Info	Abstract
Keywords: Financial Inclusion; Financial Services Uptake; Rural Youth Entrepreneurs; Utilisation of Financial Services; DOI: 10.33830/jfba.v4i2.11195.2024	This research provides comprehensive insights into how the uptake and utilization of formal and informal financial services are integrated into the business operations of rural youth entrepreneurs. A survey of 648 rural youth entrepreneurs across seven wards in the Iramba District of Tanzania was conducted. The findings reveal that while mobile money has emerged as the most widely adopted financial service, the utilization of formal financial services, such as bank accounts, insurance, and commercial bank services, remains low. Informal financial practices, including family support, informal lending, and home-based saving, continue to dominate the financial practices of rural youth entrepreneurs. The findings reveal a considerable room for improving the uptake and utilisation of formal financial services. Despite some progress, bridging the gap between formal and informal financial practices remains a critical challenge. The study concludes by offering policy recommendations to local governments and financial institutions, urging targeted interventions such as expanding internet connectivity, establishing community-based financial hubs, and implementing financial literacy programs to enhance access to formal financial services in rural areas. These efforts can be complemented by offering flexible financial products, such as micro-loans, low-fee accounts, low or no-cost transactions, and minimal documentation requirements, along with user-friendly digital banking platforms.

1. Introduction

Inclusion in financial services plays a crucial role in empowering entrepreneurs, especially in rural areas where access to formal financial services is often limited. For rural youth entrepreneurs, inclusion in financial services provides essential resources such as savings accounts, loans, and insurance, which are critical for business start-up, innovation, and long-term socio-economic growth and resilience (Guzman et al., 2020; Obiora and Nwokorie, 2018). Despite its potential, many rural youth entrepreneurs face significant barriers that hinder their access to and effective utilisation of these services. Empirical studies identify geographic isolation, limited access to formal financial institutions, stringent eligibility requirements, high transaction costs, and low financial literacy as key obstacles to financial inclusion and utilisation in rural areas (Kuada, 2021; Mohammed et al., 2020). Furthermore, a lack of trust in formal financial systems and a heavy reliance on informal financial networks, such as family support and money lenders, continue to shape the financial practices of rural youth entrepreneurs (Solanki and Chhikara, 2024; Yami et al., 2019). These barriers collectively hinder the socio-economic growth of rural youth, which could be achieved through improved access to and utilisation of financial inclusion services.

To address barriers to accessing and utilizing financial inclusion services, the government of Tanzania, in collaboration with financial institutions, has made significant strides in promoting financial inclusion among its population, including youth entrepreneurs. Such initiatives include the establishment of mobile banking platforms, agent banking services, point-of-sale systems, stand-alone ATMs, mobile money services, and the expansion of Savings and Credit Cooperative Societies (SACCOS) to rural areas (Lotto, 2018; Israel et al., 2022; Mori, 2019). In 2015, the government launched the Youth Entrepreneurship Facility (YEF) to provide financial and technical support to youth entrepreneurs, enabling them to establish and grow their businesses (United Republic of Tanzania [URT], 2018). Similarly, the Youth Enterprise Development Fund (YEDF), established in 1994, aims to provide financial assistance and support to young entrepreneurs. YEDF offers loans, grants, and business development services to help youth start and expand their businesses. In addition, various financial literacy programs have been implemented to educate youth on financial concepts, banking services, budgeting, and savings. These initiatives are designed to empower youth, including those in rural areas, by equipping them with essential financial skills and providing convenient, accessible financial solutions such as mobile banking, money transfers, and bill payment services.

Improving financial inclusion can serve as a catalyst for socio-economic development, particularly in rural areas. It facilitates revenue-generating activities such as agricultural productivity and small-scale trade (Abdelghaffar et al., 2023; Siwandeti and Israel, 2024), which in turn promotes economic empowerment and enhances access to basic healthcare, social services, and improve overall living standards (Mishra et al., 2024; Zaremohzzabieh et al., 2016; Ndanshau & Njau, 2021). However, notwithstanding the highlighted potential benefits and existing initiatives, significant challenges persist in achieving widespread financial inclusion. Many rural youth entrepreneurs continue to rely on informal financial mechanisms, such as family support and savings groups. Statistics show that rural youth are among the most financially excluded groups in Tanzania, with approximately 51% lacking access to and utilisation of either formal or informal financial services (Alliance for Financial Inclusion [AFI], 2022; Finscope, 2023). This is notably lower than the financial inclusion rate of 76% among the adult population in Tanzania. Furthermore, only about 20% of rural youth save with formal financial institutions (Mori, 2019; Chakraborty & Abraham, 2021).

Although several studies have provided an overview of financial inclusion among rural youth in Tanzania, a significant research gap remains in understanding the specific uptake and utilisation of financial services among them. Much of the existing empirical research primarily focuses on the determinants of financial inclusion among rural and urban youth (Mori, 2019; Ahmed and Jianguo, 2014; Ndanshau & Njau, 2021). Other studies in this context examine the socio-economic impact of financial inclusion on rural youth (Lal, 2021; Panakaje et al., 2023; Singh & Singh, 2023). However, there is a notable lack of comprehensive research on how formal and informal financial services are integrated into the business operations of rural youth. In addition, the varying usage of formal and informal financial services among rural youth entrepreneurs has not been sufficiently studied. This study, therefore, aims to explore the uptake and utilisation of financial inclusion services among rural youth entrepreneurs in Tanzania. It investigates whether the efforts and initiatives aimed at increasing financial inclusion have led to tangible benefits or if significant barriers still exist. The study offers valuable insights for policymakers and financial institutions regarding the effectiveness of current initiatives and offer practical implications to enhance financial inclusion efforts in rural areas.

Financial Inclusion Services

Financial inclusion refers to the accessibility and utilisation of a broad range of formal and informal financial products and services by individuals and businesses, irrespective of their socio-

economic status, geographic location, or other barriers (Solanki & Chhikara, 2024; Mishra et al., 2024). It encompasses a wide array of offerings tailored to meet the diverse needs of individuals, businesses, and communities, including financial literacy. The types of financial services available can vary depending on factors such as geographic location, economic conditions, regulatory frameworks, and technological advancements. The sector includes a broad spectrum of services, ranging from formal, regulated institutions to informal, community-based practices (Chakraborty & Abraham, 2021; Finscope, 2017). The interplay between formal and informal financial services has significant implications for financial inclusion, economic stability, and socio-economic growth in both developed and developing economies. In many instances, individuals and communities use a combination of both formal and informal services to meet their financial needs, resulting in a financial ecosystem that adapts to local realities.

Formal Financial Services

Formal financial services are typically offered by licensed institutions such as banks, credit unions, and insurance companies (Lotto, 2018; URT, 2018). These services adhere to regulatory frameworks, structured documentation, and recognized financial standards. They include a wide range of products, such as banking services (deposits, loans, and credit cards), retirement and pension services, microfinance offerings (microloans and savings), insurance (life, health, and property), investment opportunities, digital financial services (mobile banking, mobile payments, and digital lending), and capital markets (Finscope, 2023). The formal financial sector plays a crucial role in mobilizing savings, allocating capital, and facilitating risk management on a macroeconomic scale. Unlike informal financial services, formal services are generally associated with safety, security, and consumer protection due to their regulatory oversight (Ndanshau & Njau, 2021; Lal, 2021). However, they may remain inaccessible to a significant portion of the global population, particularly those living in remote or economically marginalized areas.

Informal Financial Services

Informal financial services operate outside the oversight of regulatory authorities (URT, 2018; Forkuoh et al., 2015). These services are often deeply embedded in local traditions, cultural practices, and community trust networks. Examples of informal services include informal savings groups, village community banks (VICOBA), moneylenders, rotating savings and credit associations (ROSCAs), as well as family and friends. Such services are crucial for individuals and businesses that lack access to formal financial institutions due to barriers such as geographical distance, lack of documentation, or limited financial literacy (Schreiner, 2000; Finscope, 2023). While informal financial services provide a vital lifeline to underserved populations, they may not offer the same safeguards and institutional backing as formal financial services.

Financial Inclusion Services and Rural Youth Entrepreneurial Activities

In Tanzania, youth are defined as individuals aged between 15 and 35 years (URT, 2022). In 2022, Tanzania's youth population totalled 21,312,411, accounting for 34.52% of the country's total population (URT, 2022), with 59.3% (12,647,509) residing in rural areas. Improving FNI among this group is crucial to support their entrepreneurial activities, enhance income generation, and bolster economic development (Abdelghaffar et al., 2023; Chowa et al., 2015). Entrepreneurship among youth embodies the mindset, characteristics, and behaviours that drive individuals to initiate business ventures (Senou and Manda, 2021; Zaremohzzabieh et al., 2016). It reflects their readiness to identify opportunities, take calculated risks, innovate, and create value within their local communities. Studies reveal that agribusinesses, particularly small-scale

farming, are the predominant activity for many rural youths, contributing to food security, job creation, and increased rural incomes (Bouichou et al., 2021; Yami et al., 2019; Mahuwi and Israel, 2023). In some rural areas, youth entrepreneurs leverage natural beauty and cultural heritage to establish eco-friendly tourism ventures, offering unique experiences that attract visitors and generate revenue for local communities (Guzman et al., 2020; Obiora and Nwokorie, 2018). This entrepreneurial drive extends to revitalizing traditional crafts and artistic practices, producing handmade products that cater to niche markets (artisanal and craft enterprises). Furthermore, Alamineh (2020) identified small-scale and micro-enterprises, such as the selling of goods and services, as popular and profitable ventures among rural youth.

Studies reveal the pivotal role of FNI in empowering rural youth by providing the financial resources necessary for engaging in entrepreneurial activities (Amir and Sabri, 2023; Mishra et al., 2024). Access to financial services, such as savings accounts, credit facilities, and insurance, enables rural youth to start, sustain, and expand their entrepreneurial ventures, even amidst economic challenges. These services offer more secure, regulated options that help rural entrepreneurs mitigate risks associated with unpredictable income sources. Access to affordable credit and savings tools not only drives business growth but also supports asset accumulation, investment in agriculture, trade, livestock keeping, and the operation of artisanal and craft enterprises (Senou and Manda, 2021; Lal, 2019). Formal financial resources enhance rural youth entrepreneurs' autonomy, decision-making power, and sense of self-reliance, raising their status within communities. This empowerment fosters innovation, encouraging youth to explore and invest in new business ideas (Singh and Singh, 2023; Ozili et al., 2023). Moreover, FNI initiatives that incorporate financial literacy training equip rural youth with essential skills such as budgeting, investment planning, and debt management, further strengthening their business acumen and resilience (Guzman et al., 2020). Rural youth entrepreneurial activities, when facilitated through access to financial services, hold the potential to revitalize rural economies, promote self-sufficiency, and inspire a new generation of change-makers.

2. Research Method

A cross-sectional descriptive research design was employed in this study to capture the prevalent patterns of the uptake and utilisation of financial inclusion services among rural youth entrepreneurs in Iramba District, located in Tanzania's Singida region. A cross-sectional descriptive design is ideal for studies aiming to provide a snapshot of and systematically describe and interpret existing conditions or behaviours without manipulating variables, at a single point in time (Mugenda & Mugenda, 2003). It is well-suited for understanding 'what' is happening in a particular context. This design was particularly suitable for this study, as it enabled a timely assessment of the current state of financial inclusion among youth in rural areas. Iramba District was selected for this study for two main reasons. First, the district represents a rural context where youth entrepreneurship is gaining prominence, and financial inclusion initiatives are becoming increasingly important (Finscope, 2023). Second, Iramba has a comparatively high youth population, accounting for 24% of its total population, which is substantial relative to other districts in the region (URT, 2022). Besides that, the Singida region as a whole has the lowest level of financial inclusion in the country (53%), compared to other regions (Finscope, 2023). These factors make Iramba District a particularly relevant area for studying the uptake and utilisation of financial inclusion services among rural youth entrepreneurs.

The present study employed a multi-stage sampling approach, combining purposive and simple random sampling, to select the study area and primary unit of observation. In the first stage, purposive sampling was used to select the Singida region, one of Tanzania's 31 administrative regions, as the study area due to its notably low level of financial inclusion (Finscope, 2023). In the second stage, Iramba District, one of the seven administrative districts of Singida region was

chosen based on its relatively high youth population (URT, 2022). In the third stage, seven wards were randomly selected from the 20 wards within Iramba District. These were Mgongo, Mtekente, Mtoa, Ndago, Ntwike, Shelui and Urughu. Finally, in the fourth stage, a simple random sampling method was applied to select individual participants (rural youth entrepreneurs) as the unit of enquiry. During this stage, a structured questionnaire was physically and proportionally distributed to 689 rural youth, drawn from a list of 32,501 rural youth across the selected seven wards in Iramba District, between June and September 2024. This approach ensured a representative sample of rural youth from the targeted wards, allowing for the capture of diverse perspectives on their uptake and utilisation of financial inclusion services. Out of the 689 questionnaires distributed, 648 were returned, yielding a response rate of 94.05%, which is sufficient for data analysis and enhances the validity of the study's findings. Table 1 presents the sample characteristics of the study's participants, categorising them based on their age, sex, marital status academic qualification, ward, and revenue generating activity.

Sampling and Data Collection

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Table 1. Summary Statistics Sampled Respondents

Variables	Category	Count (n = 648)	Percent (%)
Age	18 – 24 years	218	33.64
	25 – 30 years	209	32.25
	31 – 35 years	221	34.10
Sex	Male	313	48.30
	Female	335	51.70
Marital status	Married	428	66.05
	Otherwise	220	33.95
Wards	Mgongo	93	14.3
	Mtekente	97	14.97
	Mtoa	88	13.58
	Ndago	96	14.81
	Ntwike	89	13.73
	Shelui	90	13.89
	Urughu	95	14.66
Level of Education	Primary Education	178	27.47
	Secondary School	188	29.01
	Diploma	123	19.98
	Tertiary education	93	14.35
	Bachelor Degree +	66	10.19
Revenue generating activity	Crop farming	318	49.07
	Agriculture and livestock	594	91.67
	Casual labor	203	31.33
	Traders - non-agricultural products	309	47.69
	Traders - agricultural products	297	45.83
	Service providers	186	28.70
	Formal sector salaried	93	14.35
	Others	179	27.62

Source: processed data

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Data Analysis

In this study, descriptive statistical analysis, specifically frequency and percentage distribution, was used to analyse quantitative data on the uptake and utilisation of financial inclusion services among rural youth entrepreneurs. Frequencies and percentages are particularly useful for describing and interpreting categorical and nominal data (Mugenda & Mugenda, 2003), providing a clear and straightforward view of response distributions. In this study, descriptive statistical analysis (frequency and percentage) facilitated the identification of prevalent patterns and trends within the data, offering an accurate and interpretable snapshot of uptake and utilisation of financial inclusion services among rural youth entrepreneurs in the study area.

3. Results and Discussions

Sources of Finance for Rural Youth Entrepreneurs

Figure 1 illustrates the primary sources of finance for rural youth entrepreneurs in the study area. A substantial proportion of rural youth entrepreneurs, accounting for 50.46%, obtain funds to support their socio-economic and entrepreneurial activities from informal money lenders. This is followed by financial support from family or friends (32.87%), community-saving groups (31.48%), and rural credit fund associations (30.56%). These findings align with empirical research by Obiora and Nwokorie (2018) and Panakaje et al. (2023), which identify informal financial services as the main sources of finance for the majority of the rural population, including rural youth entrepreneurs.

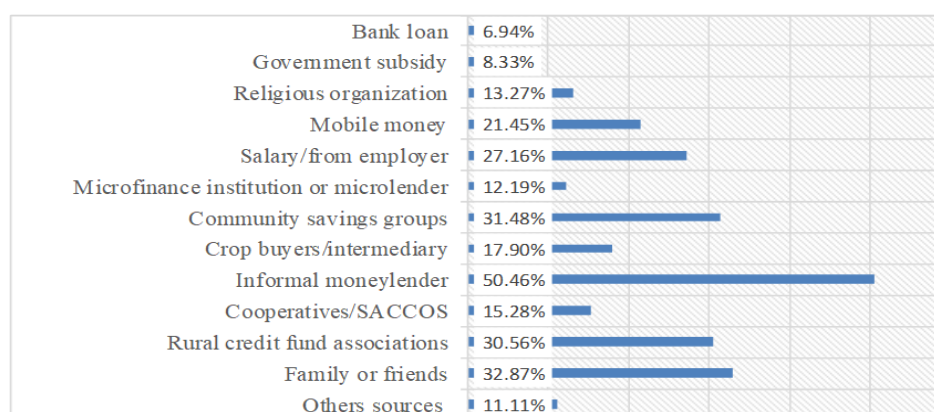


Figure 1. Sources of Finance for Rural Youth Entrepreneurs (n = 648)

Expenses/Payments Incurred by Rural Youth Entrepreneurs

The study also examined the uptakes on key payments or expenses most frequently incurred by rural youth entrepreneurs. As depicted in Figure 2, the analysis revealed that the most significant and common expense among rural youth entrepreneurs is the purchase of household goods, reported by 100% of the surveyed participants. This was followed by telephone or airtime bills, which accounted for 93.8%, transport expenses at 92.4%, water bills at 89.8%, and medical expenses at 88.7%. In contrast, farming/business expenses and school fees represented the smallest proportions of expenditures, with 46.4% and 43.9%, respectively. This spending pattern is attributed to the fact that most rural youth entrepreneurs rely on their labour for agricultural activities and have fewer family obligations that would necessitate supporting school-related expenses (Ndanshau & Njau, 2021; Senou & Manda, 2021).

The findings in Figure 2 further reveal that house rent (57.8%), electricity bills (67.1%), and the purchase of building materials (67.6%) are among the most significant payments made by rural youth entrepreneurs. On the other hand, miscellaneous expenses were reported by the smallest proportion of rural youth entrepreneurs, accounting for only 33.6%. These findings suggest that the types of payments made by rural youth entrepreneurs vary considerably depending on their socio-economic circumstances and the nature of the businesses they are involved in. However, certain expenses and payments are common among rural entrepreneurs (Kandari et al., 2021; Mohammed et al., 2020). Therefore, it is essential for rural youth entrepreneurs to track their expenses and payments accurately to ensure effective financial management.

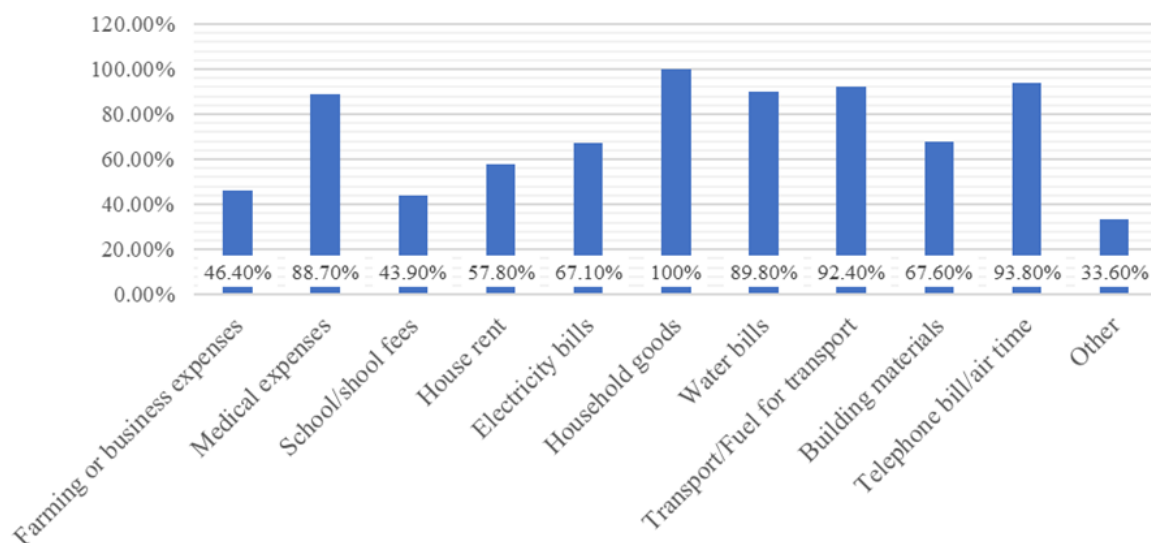


Figure 2. Important Payments/Expenses Made by Rural Youth Entrepreneurs (n = 648)

Payment Methods among Rural Youth Entrepreneurs

The study further assessed the payment methods used by rural youth entrepreneurs in their business transactions, with the results presented in Figure 3. The assessment revealed that rural youth entrepreneurs primarily rely on four payment methods, namely mobile money, cash, bank transfers, and in-kind payments. Among these, cash transactions accounted for 100%, making it the most commonly used payment method among rural youth entrepreneurs. These findings are consistent with those of Abdelghaffar et al. (2023) and Anarfo et al. (2019), who noted that cash remains the primary and most widely used payment method due to limited access to banking infrastructure and a preference for physical currency.

Furthermore, the study found that approximately 76.08% of rural youth entrepreneurs use mobile money to send and receive payments, reflecting its growing importance as an alternative payment method in rural business transactions. These findings suggest that mobile money services have become one of the most popular payment methods in rural areas. This trend is attributed to the convenience offered by mobile money services, which reduce the need for physical cash, particularly in regions with adequate mobile network coverage (Abdinoor & Mbamba, 2017).

In addition, the results presented in Figure 3 show that 41.20% of rural youth entrepreneurs have opened bank accounts to facilitate their transactions. The opening of bank accounts has enabled electronic transactions, direct deposit of payments, and access to a wider range of financial services for rural youth entrepreneurs. In addition to the aforementioned payment methods, 9.41% of the surveyed rural youth entrepreneurs reported that barter systems or trade exchanges (in-kind) are still prevalent in rural areas. These findings align with those of Panakaje et al. (2023), who noted that barter systems remain dominant in certain rural areas, particularly for goods and services that are not easily monetized.

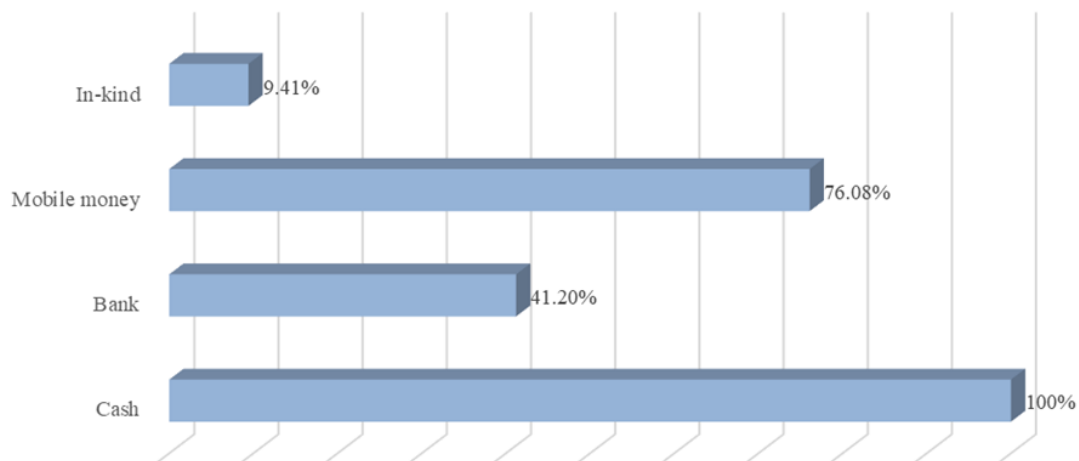


Figure 3. Uptake for Payment Methods among Rural Youth Entrepreneurs (n = 648)

Saving Methods among Rural Youth Entrepreneurs

Figure 4 illustrates the distribution of saving methods, a key indicator of financial inclusion among rural youth entrepreneurs. The analysis revealed that home-based saving is the most prevalent method, used by 70.44% of the sampled rural youth entrepreneurs, followed by saving through mobile money balances at 55.2%. About 43.5% of rural youth entrepreneurs prefer buying items as a form of saving, 36.4% entrust their savings to someone for safekeeping, and 26.9% participate in community saving groups. Surprisingly, SACCOS and capital were the least utilised saving methods, with only 5.5% and 1.05% of rural youth entrepreneurs using them, respectively. Furthermore, 11.3% of rural youth entrepreneurs use mobile money wallets for savings.

The analysis also shows that only 7.8% of rural youth entrepreneurs use bank accounts at formal financial institutions as a means of saving. These findings indicate that rural youth entrepreneurs adopt a variety of saving methods, with a strong preference for informal savings over formal ones. Consistent with the findings of Mori (2019) and Schreiner (2000), rural youth often favour informal savings due to several contextual and socio-economic factors. One key reason is limited access to formal financial institutions, such as banks and credit unions, which are typically located in urban centres, making them geographically inaccessible for rural youth. Besides, the strict requirements for opening bank accounts, such as identification documents,

minimum deposit amounts, and maintenance fees, discourage rural youth from engaging with formal financial services (Nandi et al., 2022; Senou and Manda, 2021).

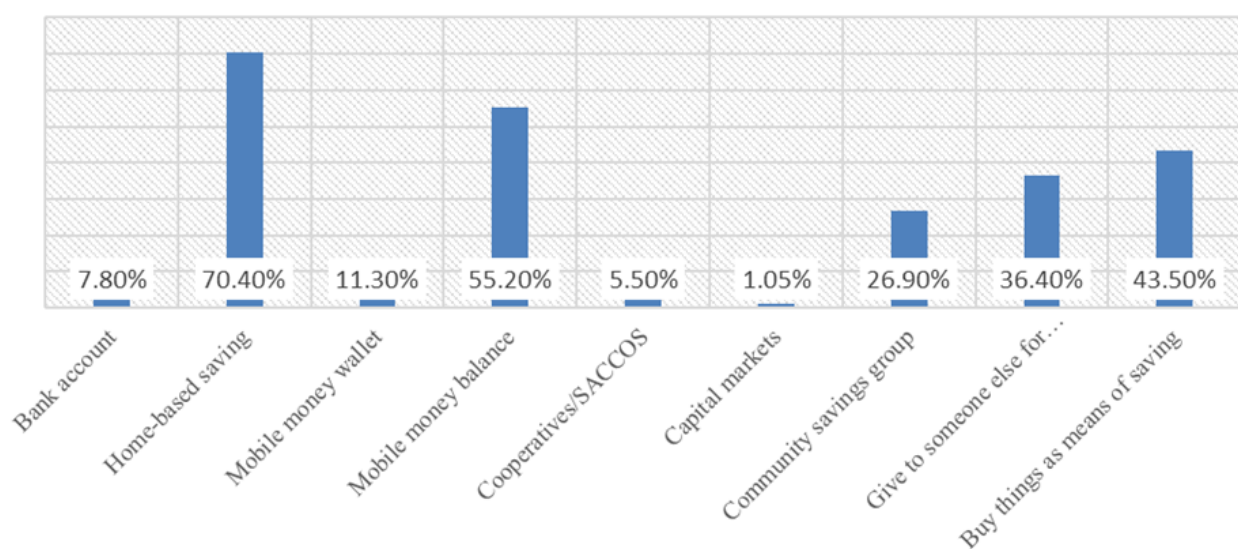


Figure 4. Uptake for Saving among Rural Youth Entrepreneurs (n = 648)

Trends in Borrowing among Rural Youth Entrepreneurs

Again, the study examined the borrowing behaviour of rural youth entrepreneurs from formal financial institutions over the past five years. As shown in Figure 5, the majority (44.6%) of the surveyed rural youth entrepreneurs reported that they had never borrowed funds from formal financial institutions during this period. The analysis further revealed that approximately 32.1% of rural youth entrepreneurs had borrowed funds only once in the past five years. Meanwhile, 13.27% had borrowed at least twice, 2.62% had borrowed three times, 2.16% had borrowed four times and 5.25% had borrowed more than five times. These findings suggest that rural youth entrepreneurs primarily rely on alternative sources of funding, such as personal savings, family support, or profits generated from their businesses, to finance their socio-economic activities. This tendency may be attributed to the limited accessibility of formal financial institutions in many rural areas, coupled with the stringent eligibility criteria for obtaining loans (Dar & Ahmed, 2021; Kandari et al., 2021). Such barriers make it difficult for rural youth entrepreneurs to access formal financial support, thereby constraining their ability to fund business growth and development.

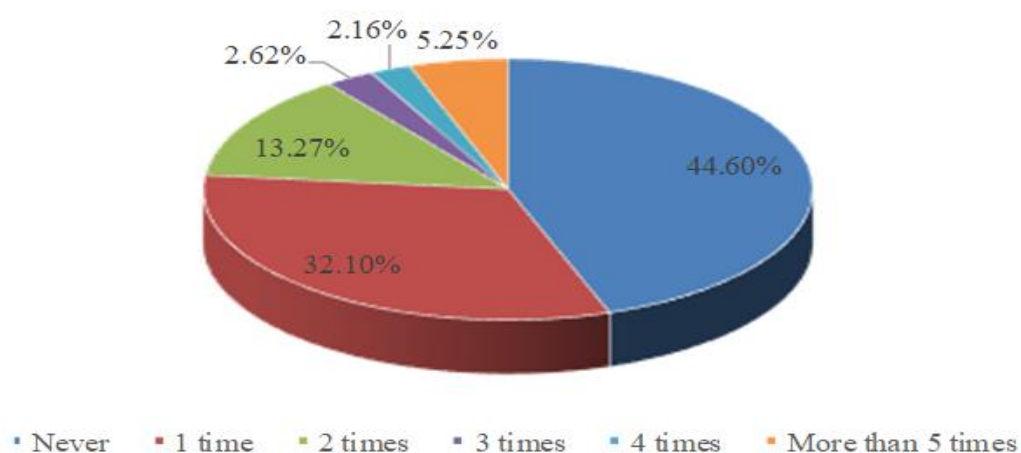


Figure 5. Trends in Borrowing from Financial Institution in The Past 5 Years

Utilisation of financial services among rural youth entrepreneurs

Lastly, the study examined and presents results on the use of financial services among rural youth entrepreneurs. Table 2 presents the results of a multiple-response survey assessing the usage of both formal and informal financial services among rural youth entrepreneurs. The findings reveal substantial use of informal financial services, with 73.77% relying on informal money lenders and 59.72% receiving financial assistance from family and friends. Mobile money is the most widely used formal financial service among rural youth entrepreneurs, with 87.5% of them utilizing it for financial transactions. In contrast, the usage of other formal financial services was notably low. Only 8.64% of rural youth entrepreneurs reported using bank savings accounts, 9.41% utilized insurance services, 13.43% used commercial bank services, 27.01% participated in community-saving groups, and 36.57% actively engaged with SACCOS. Moreover, the lowest usage was observed in informal financial services such as capital markets (1.08%), prepaid cards (3.55%), and online banking services (2.47%). Overall, the findings highlight the limited and ineffective utilisation of formal financial services by rural youth entrepreneurs. These findings are consistent with the Finscope (2023) report, which also noted the low usage of formal financial services among rural youth, emphasizing the need for targeted interventions to improve financial inclusion in rural areas.

Table 2. Utilisation of Financial Services among Rural Youth Entrepreneurs (n =648)

Types of financial products/services	Utilisation of financial services	
	Count	Percent (%)
Mobile money services	567	87.50
Bank savings account	56	8.64
Insurance services	61	9.41
Pension services	122	18.83
Credit card	52	8.02
Commercial bank services	87	13.43
Prepaid card	23	3.55
Microfinance/microlender services	98	15.12
Online banking service	16	2.47
Capital markets	7	1.08
Business loans	75	11.57
Vehicle/motorcycle loans	86	13.27
Saving and cooperative/SACCOS	237	36.57
Government subsidies	63	9.72
Education loans	103	15.90
Financial literacy/training	84	12.96
Member of community savings group	175	27.01
Rural credit fund associations	55	8.49
Financial assistance from family or friends	387	59.72
Informal moneylender	478	73.77
Others	75	11.57

Source: data processed

The ineffective utilisation of formal financial services can be attributed to several factors, including high costs and fees associated with accessing financial services, low income among rural youth, financial illiteracy, and a lack of trust in financial institutions, which hinder both awareness and effective use of financial services (Seno and Manda, 2021; Nandi et al., 2022). Besides, cultural perspectives or local beliefs may influence preferences for informal financial services over formal ones. Unlike formal financial services, informal financial mechanisms are perceived as more flexible and better aligned with cultural values of mutual support and collective

responsibility, which resonate more with rural populations than the impersonal and rigid structures of formal financial services (Mori, 2019; Ndanshau and Njau, 2021). Local beliefs may also foster scepticism toward formal institutions, which are sometimes seen as profit-driven or disconnected from community needs (Senou and Manda, 2021; Sethy et al., 2023). These factors subsequently shape the financial behaviours of rural youth, limiting their integration into formal financial markets.

4. Conclusions

This study highlights the dynamic landscape of financial inclusion services among rural youth entrepreneurs, revealing a dual narrative of progress and regress. The study reveals a notable uptake of mobile money services and cash payment method emerging as the most widely used financial services among rural youth entrepreneurs. On the other hand, rural youth entrepreneurs continue to rely heavily on informal financial sources such as family or friend support, informal money lenders, and home-based saving. In particular, the study points to significant regress in utilisation of formal financial services such as bank accounts, insurance, and commercial bank services, and capital markets. Although mobile money has made financial services more accessible, the findings suggest that there is still considerable room for improving the uptake and utilisation of formal financial inclusion services. While progress has been made, bridging the gap between formal and informal financial practices remains a critical challenge. Achieving comprehensive financial inclusion for rural youth entrepreneurs requires targeted efforts to address barriers and promote access to formal financial services. This can be achieved through the implementation of targeted policies, the enhancement of financial literacy programs, and the development of supportive financial infrastructure.

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