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Does Mobile Payment Promote Financial Inclusion Among Palestinians Women: A Quantitative Approach Through Structural Equation Modeling

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Abstract

An attempt at validating the notion of whether women's access to financial services through mobile payment enhances their empowerment necessitated this study. Mainly, it focuses on the extent to which mobile payment can contribute to financial inclusion in the context of Palestinian women, which seems to be sparse and lacking in the literature. A quantitative approach was employed using 147 questionnaires designed based on the theory of planned behavior and reflective model for measuring financial inclusion. The research found that with successive increases in mobile payment usage, financial inclusion further increased. Precisely, the growth of mobile payment usage by 1 percent can improve women's financial inclusion by 0.449 percent. By increasing women's financial inclusion, women's economic empowerment could be effectively and positively improved, which boosts productivity, increases economic diversification and income equality, and other positive development outcomes.

Keywords: *women's empowerment, mobile payment, financial inclusion*

1. Introduction

Women's empowerment has driven the attention of researchers worldwide, especially in developing countries, where they have been the subject of discrimination socially, economically, and financially, thereby denying them access to basic life aspirations (Okunlola et al., 2020). Relative to men, women face the added challenge of having access to financial services. This was documented by Doss et al. (2019) where it is learned that women tend to have a lower probability of accessing institutional finance and a higher probability of accessing non-institutional finance. The Palestinian context is no exception, where women are less likely to use financial services. Only 16 percent of Palestinian women have access to financial services than 34 percent of men (Demirguc-Kunt et al., 2018). About 19 percent of Palestinian women have borrowed from family or friends, and 12 percent have saved using a savings club or a person outside the family, compared to 3 percent who borrowed from a financial institution and only 5 percent who saved in a financial institution (Demirguc-Kunt et al., 2018).

Being financially excluded somehow increases poverty, unemployment and undermines economic activity, especially for women (Apiors and Suzuki, 2018; Porter et al., 2015). Financial exclusion is a classic dilemma facing the financial sector that requires non-traditional means to overcome by leveraging the latest technology such as smartphones (Ajouz, 2019). The smartphone quickly becomes a key instrument in various economic sectors, including payment, financing, insurance, banking, and E-commerce (Donovan, 2012). The features of smartphones in general and mobile payments, in particular, have made it an innovative tool to overcome financial exclusion (Ajouz, 2019).

Financially, including the underserved and unserved through mobile payment is likely to increase payments volumes at a domestic level and stimulate the participation in the formal economy, with the benefits of

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smoothing incomes, defending against vulnerabilities, facilitating daily living, and advancing the Sustainable Development Goals (Apiors and Suzuki, 2018). The remarkable growth of smartphone users in Palestine offers a chance that can be harnessed to expand access to financial services to the underserved and unserved women who own smartphones (around 83 percent of women) which allows more opportunities for financially excluded women to participate in the formal financial system (Lenka and Barik, 2018; Ssonko, 2010).

There is already substantial literature on the potential economic impact of mobile money, especially its contribution to financial inclusion. As we explain, there is a high rate of smartphone users but a low financial inclusion rate among women in the Palestinian context. Therefore, there is a gap in knowledge that the new research needs to fill. This paper seeks to provide a remedy to this problem by empirically investigating the potential role of mobile payment in fostering financial inclusion concerning women in the Palestinian context.

2. Literature Review

2.1 Mobile payment, financial inclusion, and women empowerment

The primary objective of mobile payment or mobile money is the pursuit of making financial services available and accessible at affordable costs to all individuals and businesses. It is, indeed, expected to be a key driving force in reducing financial exclusion especially for those who are traditionally marginalized in the developing world such as women. The body of literature is not a different case, where the literature is replete with theoretical and empirical research that focuses on mobile phones' impacts on financial inclusion but pays too little attention to women generally and Palestinian women particularly.

For instance, numerous studies have attempted to explain mobile money or mobile payment and its contribution in promoting financial inclusion in general such as (Ahmad et al., 2020; Ajouz, 2019; Donovan, 2012; Kim et al., 2018; Ndung'u, 2018), as well as other empirical studies that mainly focused on expanding financial inclusion through mobile money or mobile banking (e.g., Behl and Pal, 2016; Bongomin et al., 2018; Bongomin and Munene, 2019; Bongomin and Ntayi, 2019, 2020; Deb and Agrawal, 2017; Siddik et al., 2014). The problem with their approach is that they were general and have not focused on women's methodology.

Nevertheless, from the few studies that have dealt with how mobile money can drive financial inclusion for women, focusing on urban Indian centers in Chavan et al. (2009). The study investigated the challenges and opportunities that women face at the bottom of the pyramid of mobile money as a means for financial inclusion. Together, these studies were limited by the use of a theoretical design. Additionally, Kemal and Yan (2015) analyzed qualitative data from semi-urban women in Pakistan and argued that mobile banking extends financial inclusion to these women. While Kemal (2019) critically examines mobile banking usage for receiving social, financial aid by women in Pakistan. However, Kemal (2019) and Kemal and Yan (2015) methods were limited in terms of using qualitative data.

Although research regarding financial inclusion through mobile payment in developing countries has been reasonably extensive, the literature has not been equally thorough in addressing financial inclusion empirically in the context of women. Overall, previous studies highlighted the need for more insight using quantitative methods and explored the potential economic impact of mobile payment, especially its contribution to financial inclusion among Palestinian women, which seems to be sparse and lacking in the literature.

On the other hand, numerous studies have identified how women's empowerment interacts with financial inclusion. In line with this, Demirguc-Kunt et al. (2013) documented how access to financial services, even a primary deposit account, can increase economic empowerment among women in developing countries. In the same venue, Chakraborty (2014) noted that improving women's access to financial services will increase their contribution to household income, and this, together with other interventions to increase household wellbeing, translate into improved livelihoods for the entire community and women's ability to bring about broader positive changes to society. Thus, undoubtedly improving women's financial inclusion, which is believed to be driven by mobile payment, can positively enhance their ability to participate equally in existing markets.

Notably, Barasa and Lugo (2015) examined the influential role played by M-PESA (a mobile payment company) in improving financial inclusion and women's empowerment in Kenya, while Porter et al. (2015) argue about the role of technology in advancing women's financial inclusion. However, little is known about the empirical evidence on mobile payment and its contribution to promoting financial inclusion in the context of women. Moreover, it is not clear to what extent mobile payment influences financial inclusion from the perspective of Palestinian women.

3. Theoretical Model

3.1 Mobile payment intentions-related beliefs

Beliefs can be defined as the underlying psychological determinant determining behaviors ((Ajzen, 1991; Tan et al., 2019). It encompasses indirect or belief-based measures of attitudes, subjective norms, and perceived behavioral control (Peredaryenko, 2016). Fishbein and Ajzen (1975) hold the view that belief-based measures of these constructs should be well connected with their direct measurements since they measure the same unobservable phenomena. In other words, as stated in the theory of planned behavior (TPB), the behavior-related beliefs of an individual directly affect the formation of one's perceived behavioral control, subjective norms, and attitude towards a behavior (Peredaryenko, 2016).

What we know about these links is primarily based on empirical evidence demonstrated by Hrubes et al. (2001) and McCarthy et al. (2003) where they investigated the relationships between behavior-related beliefs and the three mentioned constructs (attitudes, subjective norm, and perceived behavioral control). The results of their investigation showed a strong positive correlation between belief-based measures and perceived behavioral control, subjective norms, and attitude, as it has been conceptualized by Ajzen (1991) and Fishbein and Ajzen (1975). Depending on the above theoretical and empirical evidence, it could conceivably be hypothesized that:

H1: Beliefs of mobile payment intention have a positive relationship with attitudes.
H2: Beliefs of mobile payment intention have a positive relationship with the subjective norm.
H3: Beliefs of mobile payment intention have a positive relationship with perceived behavioral control.

3.2 Subjective product knowledge

The term subjective product knowledge is generally understood as "what individuals perceive that they know about a given product" (Brucks, 1985). In other words, it refers to how much people think they know about a specific item and how much their level of confidence regarding their knowledge (Brucks, 1985; Peredaryenko, 2016). Subjective product knowledge is self-evaluation (Laroche et al., 2003) or self-report of an individual's knowledge of a given product (Raju et al., 1995).

Previous research and findings add empirical support to the relationships between subjective product knowledge and the theory of planned behavior's antecedents of intention to use. McEachern and Warnaby (2008) drew our attention to the relationship between subjective product knowledge and TPB constructs, namely perceived behavioral control, subjective norms, and attitudes within the same model, and found significant positive relationships. In the same vein, Tang et al. (2011) provide evidence on the significant positive relationship between subjective product knowledge and perceived behavioral control and attitude.

Notably, Peredaryenko (2016, 2019) revisited the relationship between subjective product knowledge and the theory of planned behavior constructs and found that subjective product knowledge has significant positive relationships with perceived behavioral control while it has non-significant relationships with attitude even though literature provides unanimous support for this link. It can therefore be hypothesized that:

H4: Subjective product knowledge of mobile payment intention has a positive relationship with attitude.
H5: Subjective product knowledge of mobile payment intention has a positive relationship with perceived behavioral control.

3.3 Attitude

As stated by Ajzen (1991, p. 188) the term attitude refers to "the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior in question." A large and growing body of literature has investigated the role of attitude in predicting behavioral intention to adopt mobile payment, which indicated a significant positive impact (e.g., Cao et al., 2018; Dlodlo, 2014; Giovanis et al., 2020; Lu et al., 2017; Tan et al., 2019; Verma et al., 2020; Wamuyu, 2014; Zhou, 2013). In addition, recent evidence by Tan et al. (2019) suggests that attitude mediates the relationship between beliefs and intention to adopt mobile payment, while Peredaryenko (2016) discussed the mediation role of attitude between subjective product knowledge and intention. Therefore, it is vital to investigate the mediation role of attitude between mobile payment intention and beliefs and subjective product knowledge. Thus, it is possible to hypothesize that:

H6: Attitude has a positive relationship with mobile payment intention.
H7: Attitude mediates the relationship between beliefs and mobile payment intention.
H8: Attitude mediates the relationship between subjective product knowledge and mobile payment intention.

3.4 Subjective norm

The term subjective norm refers to "the perceived social pressure to perform or not to perform a behavior" (Ajzen, 1991: p. 188). In this manner, subjective norm represents the importance of the social influence of parents, friends, and colleagues on potential users' intention to adopt mobile payment ((Minton et al., 2018; Verma et al., 2020). Palestinian potential users may rely on other groups' and/or peers' opinions before adopting mobile payment. Traditionally, it has been argued that subjective norm has a significant positive impact on intention to adopt mobile payment (see for e.g., Del Bosque and Crespo, 2011; Giovanis et al., 2020; Kim et al., 2009; Pedersen, 2005; Schierz et al., 2010; Verma et al., 2020). In addition, previous studies have reported the mediation role of subjective norm between beliefs and intention to adopt mobile payment (Tan et al., 2019). Consequently, it could conceivably be assumed that:

H9: Subjective norm has a positive relationship with mobile payment intention.
H10: Subjective norm mediates the relationship between beliefs and mobile payment intention.

3.5 Perceived behavioral control

In the literature, Ajzen (1991) defined perceived behavioral control as "assurance that individuals can execute given activities under designated situational demands" (Bandura, 2007: p. 646). In other words, perceived behavioral control in the context of mobile payment is conceptualized as the individual's ability to control the decision to perform or not to perform a mobile payment transaction (Verma et al., 2020). Several authors have explored the positive impact of perceived behavioral control on intention to adopt mobile payment (Dorfleitner et al., 2017; Giovanis et al., 2020; Lerner, 2013; Peredaryenko, 2019; Verma et al., 2020). In addition, Tan et al. (2019) investigated the mediation impact of perceived behavioral control between beliefs and intention to adopt mobile payment, while Peredaryenko (2016) discussed the mediation role of perceived behavioral control between subjective product knowledge and intention. It can therefore be hypothesized that:

H11: Perceived behavioral control has a positive relationship with mobile payment intention.
H12: Perceived behavioral control mediates the relationship between beliefs and mobile payment intention.
H13: Perceived behavioral control mediates the relationship between subjective product knowledge and mobile payment intention.

3.6 Mobil payment and financial inclusion

Financial inclusion is a relatively growing topic that received increased attention from the financial and regulatory institutions at the international or local level. According to the Palestine Monetary Authority (2018), financial inclusion refers to "enhancing access to, and use of, financial products and services to all segments of the society via formal channels, while meeting their needs in a timely and affordable manner; thus, protecting their rights and promoting their financial knowledge to enable them to make well informed financial decisions." Numerous studies have attempted to explain the contributing factors in promoting financial inclusion, such as (Ahmad et al., 2020; Donovan, 2012; Kim et al., 2018; Ndung'u, 2018), as well as other empirical studies such as (Behl and Pal, 2016; Bongomin et al., 2018; Bongomin and Munene, 2019; Bongomin and Ntayi, 2019, 2020; Deb and Agrawal, 2017; Siddik et al., 2014). Thus, there is no doubt that mobile payment usage has a growing impact on financial inclusion but needs to be appropriately measured.

In this research, the financial inclusion was expressed based on a reflective model according to country-specific factors associated with financial inclusion, which contains three dimensions, namely accessibility, availability, and usage of financial services as suggested by Sarma (2008, 2015). The relationship between mobile payment adoption and financial inclusion has been fairly investigated in numbers of empirical and theoretical research; therefore, it could conceivably be hypothesized that:

H14: Mobile payment intention has a positive relationship with financial inclusion.

4. Methodology

4.1 Measurement

To achieve content validity, the development of measurement items was based on an intensive literature review of the planned behavior theory. The items to measure potential users' intention to adopt mobile payment were adopted from Bian and Moutinho (2011), Cook and Fairweather (2007), and Im and Ha (2011). Attitude toward using mobile payment was adopted from Taylor and Todd, (1995); subjective norms toward using mobile payment were adopted from Francis et al. (2004), Peredaryenko (2016), and Tan (2013). Perceived behavioral control was adopted from Peredaryenko (2016); Tan (2013); belief about using mobile payment was adopted from Peredaryenko (2016). While subjective products knowledge towards using mobile payment was adopted from Flynn and Goldsmith (1999).

In addition, to measure financial inclusion, a reflective model was developed based on Sarma (2008, 2015). The measurement items that are peculiar to financial inclusion were newly developed to suit the research purpose. Thus, to ensure the items measured their designated constructs and that they have high reliability, an exploratory factor analysis (EFA) with varimax rotation technique was carried out where it was found that the newly developed items belong perfectly to the three constructs, accessibility, availability and usage of financial services (Hair et al., 2019).

Finally, to make the questionnaire accessible to the respondents, the research instrument was translated back-to-back from English into the Arabic language. Thus, before proceeding with the main survey, a pilot test was conducted to establish the validity and reliability of the questionnaire. The result of the pilot test supports the completion of data collection.

4.2 Sample and data collection

The primary target respondents have been identified as the women in West Bank and Gaza Strip, Palestine, economically active residents. The data collection process took place between the 28th of November 2019 and the 12th of April 2020. However, since no sampling frame could be used for this research, G*power rules were adopted to determine the adequate sample size. Accordingly, the number of arrows pointing at a construct in the proposed PLS path model is eight, the minimum sample size recommended is 114 observations to achieve a statistical power of 80% for detecting R2 values of at least 0.25 with a significance level of 0.001 (Hair et al., 2016).

The data was collected using self-administered and electronic questionnaire techniques. Thus, around 650 questionnaires were distributed based on purposive sampling, and 147 valid responses were received. The overall response rate was about 22.6 percent, which is reasonable for research on this scale. The demographic profile of the respondents shows that the majority, 53.7 percent of respondents, have never used electronic payment mechanisms in their transactions. Notably, 84.3 percent of respondents are within the age range of 18 to 31 years. The vast majority of respondents (74.1 percent) came from lower-class income groups who earn less than USD 1,000 per month, while the rest earn a monthly income higher than that. Respondents with a diploma and bachelor's degree accounted for 89.2 percent of the data, while 8.1 percent hold doctorate and master's degrees. The demographic profile also showed that the respondents belong to several occupation categories, including students (67.3 percent), private sector (12.9 percent), public sector (12.2 percent), self-employed (3.4 percent), and 4.1 percent still looking for job opportunities.

5. Results and Discussion

5.1 Measurement Model

To evaluate the fit of the hypothesized model, confirmatory factor analysis was carried out on the 147 sampled data collected from potential mobile payment users in Palestine through partial least squares (PLS) in Smart-PLS 3 (Ringle et al., 2015). Following the best practices in structural equation modeling, the measurement model was assessed for indicator and internal consistency reliability and convergent and discriminant validity (Hair et al., 2016).

The indicator reliability was carried out based on Hair et al. (2016) criteria, where the outer loadings for each item must be greater than 0.70, and any item with loading less than 0.4 must be eliminated. Five items were dropped due to the low outer loading (IU2, PC4, SK1, SK5and BF2). The remaining items have outer loading

greater than 0.708, values between 0.750 and 0.909, and all the items were statistically significant at 0.00. All in all, the research instrument presents acceptable indicator reliability.

In addition, internal consistency reliability was evaluated by conducting Cronbach's alpha and composite reliability tests. As shown in Table 1, all the constructs have Cronbach's alpha values between 0.851 and 0.932 which is regarded as acceptable (Straub, 1989). However, finding composite reliability has become a more rigorous estimate (Gefen et al., 2000). Thus, composite reliability values were between 0.899 and 0.947, which is acceptable (Straub, 1989).

On the other hand, the convergent validity was established by carrying out average variance extracted (AVE), where the value of AVE must be higher than 0.5, as advised by Hair et al. (2016). As presented in Table 1, the AVE values of all constructs were between 0.603 and 0.810, which support convergent validity in this research.

Table 1: Assessment of The Measurement Model

Constructs	Cronbach's alpha	Composite Reliability	AVE
Belief	0.869	0.901	0.603
Intention to Use Mobile Payment	0.875	0.914	0.727
Subjective Products Knowledge	0.883	0.927	0.810
Attitude	0.905	0.930	0.726
Subjective Norms	0.871	0.907	0.660
Perceived Behavioral Control	0.851	0.899	0.691
Financial Inclusion			
Accessibility	0.932	0.947	0.748
Availability	0.879	0.912	0.675
Usage	0.888	0.918	0.692

In addition, discriminant validity was evaluated using three criteria: cross-loadings criteria, Fornell-Larcker criteria, and Heterotrait-Monotrait ratio of correlations (HTMT) criteria (Hair et al., 2016; 2019). Accordingly, by evaluating indicators loading (square root of AVE) and cross-loading, all the indicators loading have greater factorial loads on their respective construct than all cross-loadings according to Fornell and Larcker (1981) criteria. However, the Fornell-Larcker criterion was criticized by Henseler et al. (2015) as it failed to detect discriminant validity in PLS-SEM, while they suggested the use of HTMT criteria, which contrasts the indicator correlations between constructs with the correlations within indicators of the same construct (Hair et al., 2019). The results of HTMT were below 0.85, and all the indicators were statistically significant from 1, which indicates the establishment of discriminant validity based on Kline's (2011) criteria.

The results from the measurement model indicate that the indicator and internal consistency reliability and convergent and discriminant validity of the constructs are satisfactory. Therefore, the hypothesized constructs can be used to test the structural model.

5.2 Structural model

Figure 1 presents the results of PLS estimation. It shows that the proposed model explains 20.2 percent of the variation in financial inclusion and validates the hypothesis (H14) that mobile payment intention positively correlates with financial inclusion. The effect of mobile payment was found to have a median effect on financial inclusion as the R2 value was above 13 percent, as mentioned by Cohen (1988). In addition, the proposed model explains 62.3 percent of behavioral intention to adopt mobile payment and confirms the hypothesis. As shown in Tables 2 and 3, all models' paths were supported at the 0.05 level, except for H4 and H8, which were irrelevant to the formation of women's attitude. Furthermore, the proposed model supports the mediation role of attitude, subjective norm, and perceived behavioral control between beliefs and mobile payment intention. Notably, the mediator effect of perceived behavioral control between subjective product knowledge and mobile payment intention was significantly positive while, the mediator effect of attitude was not statistically significant.

Figure 1: Structural Model Results

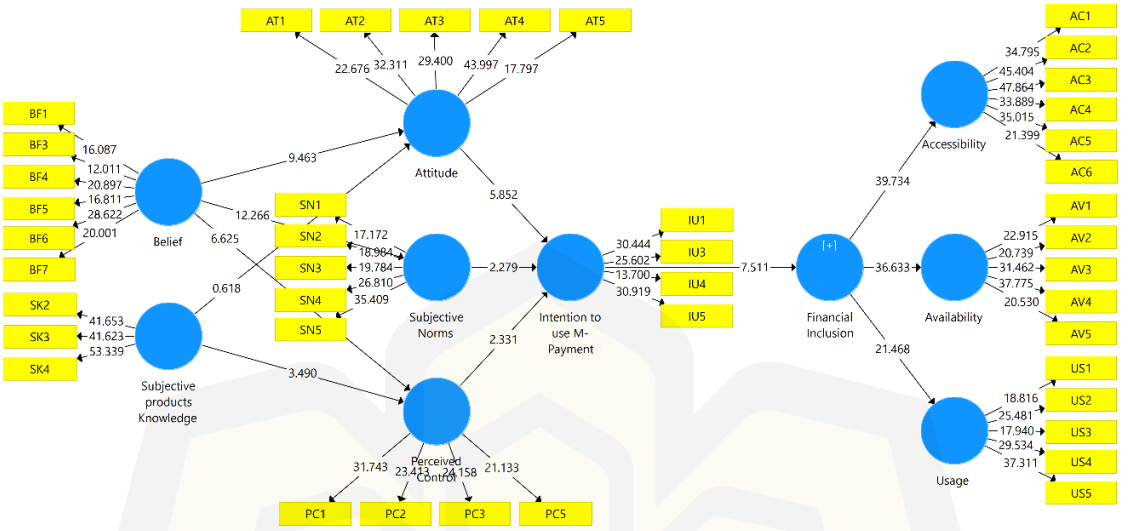

Table 2: PLS-SEM Results (Path Coefficients of the Adjusted Model)

Hx	Relationship	Std Beta	Std Error	t-Value	p-Value	Decision
H_1	BLFS -> ATT	0.703	0.074	9.463	***	Supported
H_2	BLFS -> SN	0.630	0.051	12.26	***	Supported
H_3	BLFS -> PBC	0.511	0.077	6.625	***	Supported
H_4	SPK ->ATT	-0.051	0.083	0.618	0.537	Not Supported
H_5	SPK -> PBC	0.273	0.078	3.490	0.001	Supported
H_6	ATT -> M-P	0.508	0.087	5.852	***	Supported
H_9	SN -> M-P	0.185	0.081	2.279	0.023	Supported
H_{11}	PBC -> M-P	0.178	0.076	2.331	0.020	Supported
H_{14}	M-P -> FI	0.449	0.060	7.511	***	Supported

In details, the potential users' beliefs of mobile payment intention as presented in H_1, H_2 and H_3 had significant positive effects on attitude ($\beta = 0.703$; $t = 9.463$, $p < 0.05$), subjective norm ($\beta = 0.630$; $t = 12.260$, $p < 0.05$), and perceived behavioral control ($\beta = 0.511$; $t = 6.625$, $p < 0.05$). The path coefficient between beliefs and attitude or subjective norm were greater than the causal relationships between beliefs and perceived behavioral control. The results unexpectedly showed that subjective products knowledge had no significant effects on attitude (H_4: $\beta = -0.051$; $t = 0.618$, $p > 0.05$), while, showing a significantly positive effect on perceived behavioral control (H_5: $\beta = 0.273$; $t = 3.490$, $p < 0.05$). The results also showed that the attitude (H_6: $\beta = 0.508$; $t = 5.852$, $p < 0.05$), subjective norm (H_9: $\beta = 0.185$; $t = 2.279$, $p < 0.05$), and perceived behavioral control (H_{11}: $\beta = 0.178$; $t = 2.331$, $p < 0.05$) had significantly positive effects on mobile payment intention.

Interestingly, the results showed that the mobile payment intention has a positive relationship with financial inclusion (H_{14}: $\beta = 0.449$; $t = 7.511$, $p < 0.05$). The effect of the mobile payment intention on financial inclusion was 0.449. The proposed model accounted for 20.2 percent of the variance in financial inclusion, which indicates a median effect of mobile payment intention on financial inclusion (Cohen, 1988). Finally, the above results have empirically explained the factors that affect mobile payment usage for achieving financial inclusion from the perspective of Palestinian women.

Table3: PLS-SEM Results (Path Coefficients of Indirect Effects)

H_X	Relationship	Std Beta	Std Error	t-Value	p-Value	Decision
H_7	BLFS -> ATT -> M-P	0.357	0.075	4.736	***	Supported
H_8	SPK ->ATT -> M-P	0.026-	0.042	0.621	0.535	Not Supported
H_{10}	BLFS -> SN -> M-P	0.117	0.054	2.175	0.030	Supported
H_{12}	BLFS -> PBC -> M-P	0.091	0.043	2.098	0.036	Supported
H_{13}	SPK -> PBC-> M-P	0.049	0.025	1.982	0.048	Supported

In addition, the mediation role of attitude (H_7: $\beta = 0.357$; $t = 4.969$, $p < 0.05$), subjective norm (H_{10}: $\beta = 0.117$; $t = 2.175$, $p < 0.05$), and perceived behavioral control (H_{12}: $\beta = 0.091$; $t = 2.098$, $p < 0.05$) between beliefs and mobile payment intention were statistically significant at the 0.05 level. Notably, the mediation role of attitude between subjective product knowledge and payment intention as presented in H_8 had no statistically significant effect ($\beta = -0.026$; $t = 0.535$, $p > 0.05$), while subjective product knowledge had significant positive effects on mobile payment intention through the mediator role of perceived behavioral control (H_{13}: $\beta = 0.049$; $t = 1.982$, $p < 0.05$). These results are in line with the findings of Peredaryenko (2019).

5.3 Discussion and implications

Despite the worldwide spread of mobile payment services, the Palestinian mobile payment business is not widespread as required compared to other countries because of the considerable uncertainty of the business environment. As Palestinian's financial sector is traditionally known for its complications and high entry barriers, most women (around 84 percent) are still financially excluded compared to 66 percent males. This shows the gap between men and women in accessing financial services (Demirguc-Kunt et al., 2018). There is no doubt about the importance of involving women in economic activities, especially in the case of Palestine, where 49 percent of the population is women.

These women can demonstrate an excellent opportunity for the Palestinian economy. According to Demirguc-Kunt et al. (2018) around 19 percent of women have borrowed money from family or friends, while only 3 percent borrowed from a financial institution. This shows the gap that formal financial institutions can fill to empower these women. The restrictions and obstacles facing women informal financial institutions denied many of them access to banking services. This is clearer when knowing that around 12 percent of women have saved using a savings club or a person outside the family, while only 5 percent saved at a financial institution Demirguc-Kunt et al. (2018). This shows a great opportunity that mobile payment can make available by facilitating the saving process of these women. Using mobile payment, they can save, transfer, and receive money quickly in the palm of their hand.

Additionally, more than 41.9 percent of women are unemployed in Palestine, the highest rate in the Middle East and Arab countries. This clearly shows the opportunity that the Palestinian economy could have otherwise leveraged. Women's involvement in entrepreneurial projects is even disappointing as only 2 percent and 3 percent have saved or borrowed to start, operate, or expand a farm or business, respectively (Demirguc-Kunt et al., 2018; PCBS, 2020). This also shows the lost opportunity where around 20.1 percent of the workforce is disrupted. This requires more actions to improve the access of Palestinian women to financial services using current technology. Improving women's access to financial institutions can improve their living standards, especially by offering them special financing contracts that enable them to feel more secure such as diminishing partnership and trust financing contracts offered by Islamic financial institutions.

However, this research attempted to investigate how mobile payment affects financial inclusion from the perspective of Palestinian women. It was found that the increase of mobile payment usage by 1 percent can improve women's financial inclusion by 0.449 percent. Increasing women's financial inclusion could effectively and positively improve their economic empowerment, which boosts productivity, increases economic diversification and income equality, and other positive development outcomes (IMF, 2018).

6. Conclusion

This study sets out to determine the impact of mobile payment intention on financial inclusion from the perspective of Palestinian women. One of the most significant findings to emerge from this study is that mobile payment intention positively correlates with financial inclusion. It was also shown that the effect of mobile payment on financial inclusion is a median effect, where the proposed model explained that around 20.2 percent of variation is in financial inclusion. This has significant implications, as financial inclusion is influenced by

other factors not explored in this research. It is recommended that further research be undertaken to discover and investigate the factors influencing financial inclusion from the perspective of Palestinian women. Considering a high expected value of financial inclusion, more active development of electronic payment business and a more pragmatic approach of electronic payment management by the government are needed to meet user demands.

This finding of the current research extends the body of knowledge that benefits the researchers, public, business community, and policymakers. This is because dealing with financial exclusion among women is a contemporary and growing issue as they are being financially excluded. This somehow increases poverty and unemployment and undermines economic activity. Therefore, by benefiting from current technologies, particularly smartphones in this study, Palestine can overcome this problem, especially as 83 percent of women in Palestine already own a smartphone but need to leverage these phones properly to empower themselves.

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