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(Review Article)

The surge of cross-border payment firms in Africa: Implications for entrepreneurship and SMES

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Abstract

This paper looks into the factors surrounding the surge of cross-border payment firms across Africa and their consequences for entrepreneurship and SMEs, underlining the opportunities and challenges brought by these systems. Grounded in a systematic review of available literature, research identifies, among others, key drivers like financial inclusion and the digital economy, while exploring regulatory fragmentation, infrastructure deficits, and cybersecurity risks as main barriers. The findings indicate that, though cross-border payment systems have dramatically improved access to foreign markets and innovation, the benefits for SMEs are not uniform. Targeted interventions, which would require a constitutive policy framework, are urgent for all businesses to be fully joined into the digital economy and hence fully benefit from these financial innovations.

Keywords: Cross-border payments; SMEs; Entrepreneurship; Financial inclusion; Africa

1. Introduction

The boom of cross-border payment companies in Africa speaks of a pivotal change across the financial sphere in the continent. It is a change driven by the need for transactions across borders to take place seamlessly, affordably, and efficiently. Traditionally, entrepreneurs and SMEs in Africa have had to face many challenges while engaging in cross-border commerce characterized by high costs, delays, and low accessibility to banking infrastructure [1]. These challenges are fast being eroded by the advent of technology-driven payment solutions. In fact, the sudden growth of mobile money platforms, FinTech startups, and blockchain technology is changing the face of business, opening up new opportunities for growth in markets that were earlier neglected [1].

The innovation diffusion theory informs this study by describing how new technologies and ideas spread in a society [2]. Increasingly, the existence of cross-border payment firms across Africa comes along with innovative financial solutions that are being gradually adopted by entrepreneurs and SMEs [3]. It is helping companies to reach new markets around the world and enhance operational productivity, which is a factor in economic growth. Network theory is enormously facilitating this research, pointing out the fact that networked systems work in commerce and finance, especially in regions where financial infrastructures are yet not developed [4].

While many studies have concentrated oncross-border payments and their effect on GDP development in Africa [5][6], very few of them turn their interest to the implications for entrepreneurship and SMEs regarding international payments. While blockchain technology could significantly cut down the remittance cost, as observed by Rühmann et al. [7] the bigger picture of what the rise of cross-border payment businesses means remains obscure to entrepreneurs

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in Africa. As such, this research aimed to establish how firms involved in cross-border payment were altering the existing situation concerning access, cost-effectiveness, and market expansion for SMEs and entrepreneurs.

2. Literature Review

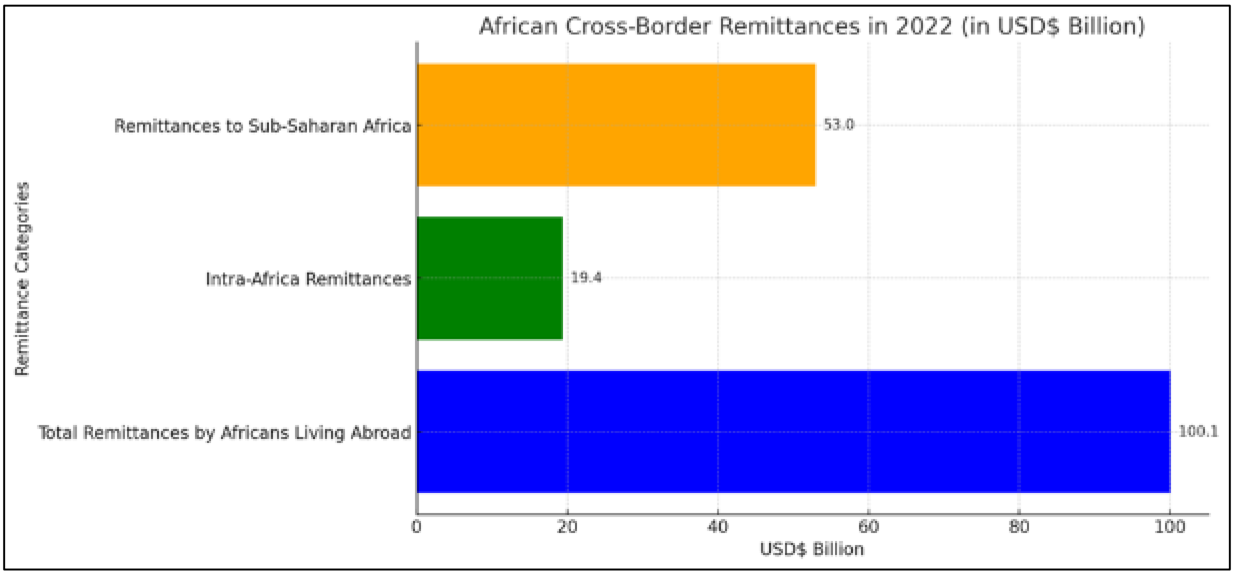
With the innovative technical changes and increase in demand for ease of international transactions, a number of cross-border payment firms have sprung up in Africa to change its financial face. The review enriches the current body of knowledge through a critical review of research on the evolution of cross-border payment systems across Africa. It deals with the theoretical underpinnings that have influenced the way we understand these systems, the evolution of financial technology, and regulatory frameworks that influence their evolution. To enable a deeper analysis of the implications for various stakeholders, it situates these payment systems within the broader socioeconomic context in which they operate.

2.1. Evolution of African Cross-Border Payment Systems

According to Batuo et al. [8], the liberalization of financial markets and associated technological advances in the past few decades have had a profound impact on Africa's cross-border payment networks. To put it more precisely, the invasion of FinTech companies has really shaken the industry with new innovations for a pool of customers, at times, overlooked. This transition is characterized by the rise of blockchain and the massive usage of mobile money platforms which dramatically improve the ease and speed of international financial transactions [9].

The second important development is the coming of mobile money, which has highly impacted the level of financial inclusions on the African continent. As shown by various studies, including Osabutey & Jackson [10] and Lashitew et al [11], mobile money did provide access to financial services for groups that were previously unbanked. Although mobile money makes transactions easier within a country, legal hurdles and a need for more robust financial infrastructure to allow international transfers have so far limited its use in this respect. As such, specialist cross-border payment organizations have grown and emerged in response to this barrier, using new technology to overcome it [12]. According to Martín et al. [13] such ventures serve an important market need by addressing challenges that come with cross-border trade, especially regulatory compliance and currency exchange challenges.

It is estimated by Statista [14] that in 2022, Africans living outside their country of birth transferred cross-border remittances worth USD $100.1 billion. USD $53 was channeled to sub-Saharan Africa, which shows the region's reliance on remittances. At the same time, it is reported that a sum of USD $19.4 billion was transferred within the African continent. This corresponds to the relevance of intra-African financial transfers. The following graph is a clearer expression of these categories because it emphasizes the relative magnitude of each remittance flow. The largest remittance flow is total remittances, followed by remittances to sub-Saharan Africa, then remittances intra-African.



Source: Statista (2024)

Figure 1 African Cross-border Remittances in 2020 (in USD$ Billion)

2.2. Theoretical Frameworks on Cross-border Payments in Africa

With respect to the cross-border payment systems in Africa, there are several theoretical traditions on which researchers can build or defer from. Their unique perspectives help to illuminate some of the factors that prompted the spread of such technologies. One of several theoretical frameworks that have been used in a number of researches that consider societal adoption of innovative technology is innovation diffusion theory. Recently, this theory was used to explain rapid diffusion of mobile money and other digital payment systems among traditionally financially excluded populations in Africa. Kanga et al. [15] postulated that while innovation diffusion theory is valuable in the understanding of how adoption takes place, it however, it does not take proper account of the socio-economic factors which may explain the slow diffusion of new technology in underdeveloped areas.

Among the views from which cross-border payment systems operate is the resource-based view of the company. This view also involves diffusion of innovations. The RBV postulates that companies gain competitive advantage from their core competence, modulated not by anything external but more by the company resources themselves, notably technical talents and financial capital [16]. Hence, state-of-the-art methods of cross-border money transfer may be seen as one of the instruments in the arsenal of a company trying to diversify its products and penetrate new markets. However, Zoogah et al [17] has strongly argued that the broader institutional environment is an important source for both the opportunities and challenges that African firms face, and that the RBV, with its emphasis on firm-specific resources, overlooks this.

2.3. Technological Innovation and the Development of Cross-Border Payment Systems.

Digital payment systems have been spreading at a very fast rate over the continent, and Dimitrova [18] describe mobile technology as forming the base of most of this growth. In addition to domestic transfers, these platforms opened a passageway for international money transfers where such banking systems are underdeveloped. Talking about international money transfer, blockchain technology once again is one of the major game-changers.

Blockchain, with its very decentralized and secure transaction platform, can be potentially put to use in solving some of the most basic problems associated with high transaction costs and possible fraud in cross-border payments. According to Jiao [19], research in blockchain has unwrapped its potential to be the game changer in cross-border payment; with the elimination of intermediaries, it is supposed to reduce transaction costs. However, the adoption of blockchain in Africa is still at an early stage, and for its full implementation, significant challenges were faced, as mentioned by Thegeya [20] - uncertainty in regulation and weak technical capability.

2.4. Regulatory Environment and Impact on Cross-Border Payments

According to Frost [21], investment in Fintech and Payment Services has been attracted to an overwhelming majority of countries with enabling regulatory frameworks, hence resulting in more competitive and resilient markets. A good example is Kenya, that has, due to its relatively lax regulatory regime, been at the forefront in innovating within mobile money and cross-border payment services. At the same time, this complex interaction of regulation and innovation yields good and bad results [22]. For instance, lax regulation might lead to fraud, money laundering, and systemic risk; on the other hand, conducive regulation might enhance innovation. This is worst in the case of transferring money across borders internationally since regulators have an urgent need to find a solution that satisfies financial inclusion and stability [23].

2.5. Financial Inclusion in a Socio-Economic Setting

The socio-economic context in which cross-border payment systems function forms a critical factor of their success and influence. Financial inclusion is a central theme that comes up in most impact studies involving transfers between Africa and its international trading partners. Further research in this area by Osabutey & Jackson [10] and Yawe et al [24], is done to shed more light on how mobile money and digital payment systems extend financial inclusions, particularly in rural areas among disadvantaged communities. To do this, it highly enables consumers and companies to have the capacity to send and receive money across borders, thereby improving access to financial services. When it comes to their effect on financial inclusions, however, international payment systems do not have a clean slate.

One of the reasons why cross-border payment systems have attracted criticism is accorded by Kim [25], who held that though extending access to financial services, this did not always lead to improved health for all consumers. For instance, high transaction costs for small-value transfers negate the benefit of financial inclusion and therefore fully impede the participation of low-income individuals and SMEs in the digital economy. Although mobile money improves one's access to financial services, it also creates new kinds of exclusion, like people who are not aware or do not have access to digital financial services [26].

3. Research Methods

3.1. Research Design

This study followed a systematic review design based on the PRISMA guidelines. This choice resulted from the fact that it is a design with clearly established and coherent procedures to synthesize currently available literature material when it comes to the surge of cross-border payment firms in Africa and implications on entrepreneurship and SMEs [27]. The systematic review followed a number of steps to comprehensively compile available research with minimal bias:.

The first was to clearly state the research question and objectives which helped guide the whole process of the review. Second was to develop a method of comprehensive search to be implemented to identify studies that were relevant to the review question from several databases. In the third stage, studies relevant for the objectives were selected based on predefined criteria for inclusion and exclusion. The information in the selected studies was systematically extracted in the fourth stage. The fifth stage was the quality assessment to make sure that only studies that were methodologically sound would be input for review. Data analysis to synthesis findings: Finally, an overview of the patterns, trends, and gaps in the literature was conducted.

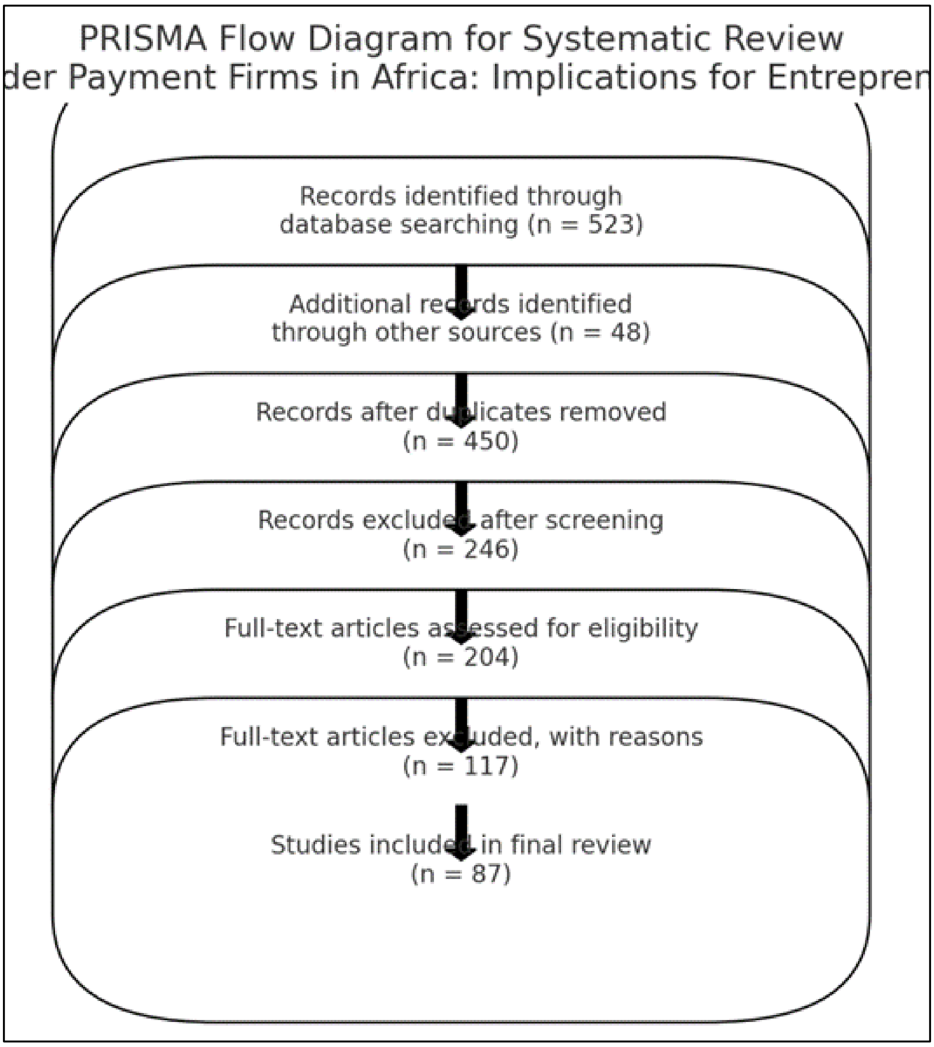


Figure 2 PRISMA Flowchart for Systematic Review

3.2. Search Strategy

A comprehensive search strategy was developed to retrieve a wide scope of literature relating to cross-border payment firms in operation in Africa. The search was conducted in Google Scholar, JSTOR, Scopus, and Web of Science. Various search terms were combined with Boolean operators to ensure retrieval of every relevant study to this research. The keywords used in different combinations included "cross-border payments," "Africa," "fintech," "entrepreneurship," and "SMEs" and "financial inclusion.". The search was not date-limited in regard to the historical or current studies. Manual searches of the reference lists of the selected studies were also done for completeness beyond the literatures obtained from the search strategy used in this review. Each stage of the process documented the search process adequately: databases used, search terms, and numbers of studies retrieved.

3.3. Inclusion and Exclusion Criteria

The selection would, however, have to be based on predefined eligibility criteria that would ensure that only high relevance and quality studies were included in the review. Hence, the inclusion criteria were used to filter studies that pertained to only cross-border payment systems in Africa and were published in peer-reviewed journals, conferences, and reports. Works that focused on the technological, regulatory, or socio-economic aspects of such systems and their potential impact on entrepreneurship and SMEs were, however, given first preference.

Exclusion criteria were studies, which were not directly relevant to the research question, not peer-reviewed, and that lacked methodological rigor. In addition, studies that were not published in English or that did not have a reliable translation were excluded. Further exclusion criteria were abstracts that were simply concentrated on domestic payment systems without offering empirical or theoretical information.

3.4. Data Extraction

Extraction of data was done systematically to ensure uniformity and accuracy of the selected studies. The key information was extracted from each study using the standardized data extraction form. This form captured information on publication year, author/s, study location, research design, sample size, methods of data collection, and key findings of the study in connection with cross-border payment, FinTech, and its implications.

Thematic categories were defined based on the extracted data, which were in line with the research objectives. The task of categorization inherently allows synthesis of findings and determination of trends and patterns highlighted by the literature. The data extraction protocol was detailed and described in order to make the overall process transparent and be reproducible [28]. The methodological rigor of the included studies was considered in the quality assessment. This was important in making sure the review was based on valid and reliable evidence. The assessment was undertaken against a set of criteria that included clarity of research objectives, appropriateness of research design, robustness of data analysis, and findings relevant to the question of investigation.

The studies that did not fall into the set standards of quality use were excluded at the final analysis. The quality assessment was double-blinded to several judges to prevent biases and encourage variability in judgments. Reporting of the quality assessment results was then done and presented as studies where the only those falling into the set quality levels were used in the final summary.

3.5. Data Synthesis

Data analysis involved the extraction of evidence from included studies and its synthesis to make wider conclusions related to the research topic. The data extraction process also followed a narrative synthesis method, allowing the integration of both qualitative and quantitative findings. This analysis will aim to identify the key themes, patterns, and gaps within the literature relating to cross-border payment firms in Africa.

These results were discussed within the developed theoretical underpinning created based on literature and its content; it allowed insight into the basic drivers behind cross-border payment system growth and assessed their potential influence on entrepreneurship, as well as internationalization opportunities for SMEs. The findings displayed the results of this analysis in an organized way, pursuing different thematic categories against the background of the research question. Some of the areas future research in this aspect of the analysis was pointed out relating to the long-term implications of cross-border payments for economic development in Africa.

4. Results and Discussion

4.1. Overview of the Results

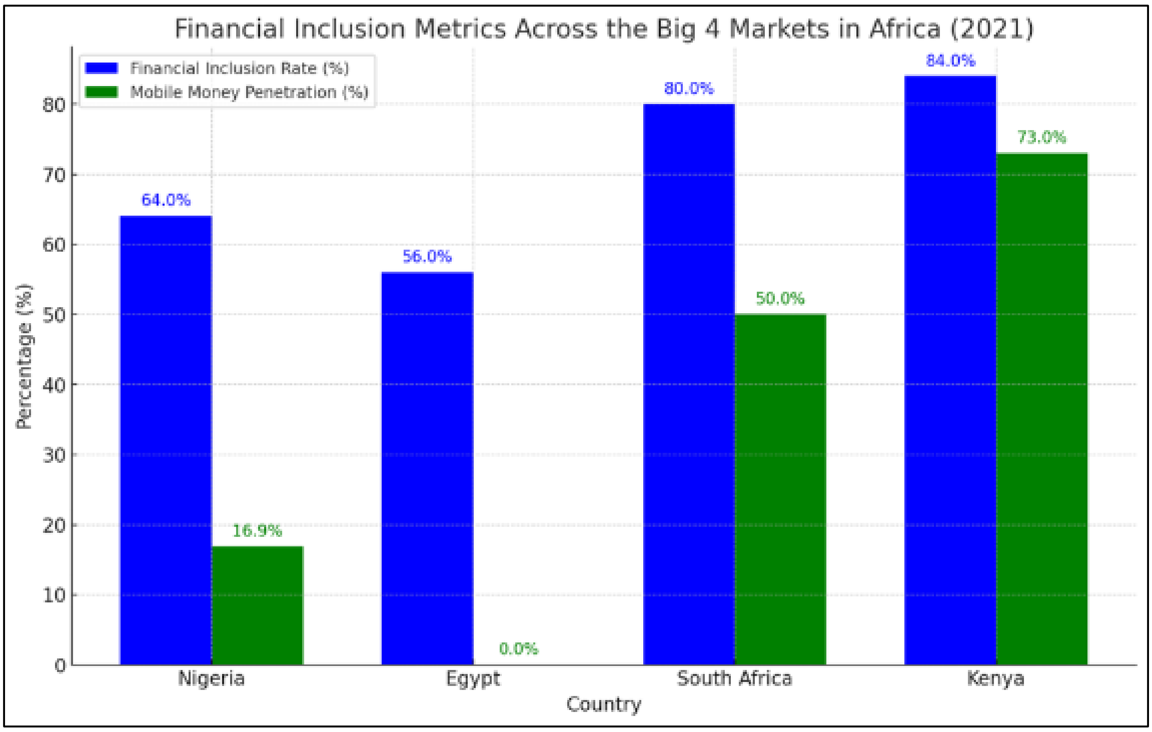
The systematic research in this study has turned out quite a good number of substantial insights into the emergence of cross-border payment businesses in Africa and the consequent implications for entrepreneurship and SMEs. These results are organized under many significant themes, each providing insight into different parts of the study's question.

This includes what factors have an impact on the use of cross-border payment systems, which challenges these companies face, and what broader economic and entrepreneurial impact on SMEs.

4.2. Factors Influencing the Adoption of Cross-Border Payments

In the growing digital economy in Africa, there is a growing need for financial inclusion on the continent, calling forth the adoption of cross-border payment systems [29]. The majority of Africans are still not connected to formal banking services; as such, financial inclusion has been a concern across the continent. Cross-border payment providers have gone a long way in bridging the gap by providing financial services to more members of society, particularly where formal banking structures do not exist [32]. This only changed with the massive adoption of mobile money systems like M-Pesa in Kenya [30]. Such systems make it quite easy to move money across borders for persons and corporations, democratizing access to financial services and laying the foundation for cross-border payments. Tthis trend is in line with financial theories of inclusion that underscore the growth of digital financial services as a critical factor in reducing poverty and empowering emerging areas economically [32].

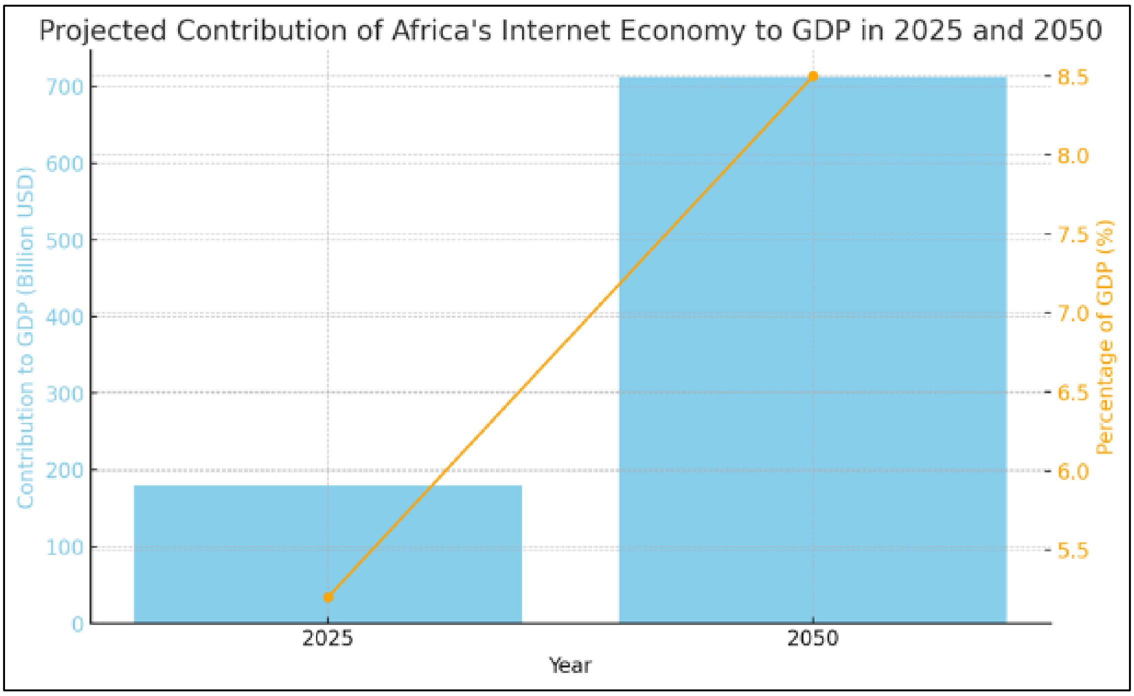
According to World Bank [33] and Statista [34], financial inclusion in these four main markets across Africa—Kenya, South Africa, Nigeria, and Egypt—in 2021 differed considerably in terms of financial inclusion rates and mobile money usage. For instance, Kenya pulled off a high financial inclusion rate of 84%, complemented by a rather unrivaled mobile money penetration rate at 73%. That is greatly attributed to the influential M-PESA revolution. South Africa has a financial inclusion rate of 80%, with mobile money penetration at 50%. This shows that the banking sector is pretty strong, having risen in digital payments. Nigeria reflects a financial inclusion rate of 64% and mobile money use at 16.9%. In Egypt, even though there is a financial inclusion rate of 56%, mobile money use is very low. They underline different approaches and innovations to financial inclusion among key African countries.



Source: World Bank (2024)

Figure 3 Financial Inclusion Metrics Across the Big Four in Africa (2021)

On the other hand, the rise of Africa's digital economy has increased the usage of international payment systems. With the rapid increase in internet-connected devices across Africa, there has been a meteoric increase in online shopping and other forms of digital transactions. According to International Finance Corporation, the Internet economy in Africa is projected to have some landmark developments. By 2025, it is estimated that US$180 billion will be contributed to the continent's GDP at 5.2%. This is projected to surge to US$712 billion by 2050 and make up 8.5 percent of the Gross Domestic Product (GDP) [59].



Source: International Finance Corporation (2020)

Figure 4 Projected Contribution of Africa's Internet Economy to DP in 2025 and 2050

As the world is going digital in its economy, African companies will require secure, trustworthy payment systems that better help process cross-border transactions more safely, transparently, and efficiently. Two examples of such fintech breakthroughs in this respect are blockchain and digital wallets. In turn, these technical advances have attracted more businesses and customers to these innovations. The diffusion of innovation theory by Rogers attempts to explain the acceptance of new technologies based on variables such as relative advantage, compatibility, and complexity; such technical advances in these payment systems are tailored within the rubric of this theory. In most African countries, it is the relative advantage they offer over the traditional banking system that has driven the need to develop fintech solutions. Lower processing times, increased accessibility, and reduced transaction costs are other benefits.

These factors all combine to show how cross-border payment systems can change the face of Africa, increasing the number of people within a financial system and the overall economic integration of the continent with the rest of the world. While these various factors have undoubtedly been accelerating development, ensuring this continues well into the future will mean finding solutions to problems arising from such broad uses of new technology..

4.3. Challenges Facing Cross-border Payment Companies

Despite optimistic growth, a few challenges still persist towards the goal of seamless operation and sustainability. Among the most critical is the fragmentation of the regulatory regime. In particular, each of the 54 countries constituting the African continent has an independent regulatory regime governing financial transactions, including cross-border remittances [35][36]. Clearly, one of the major challenges that most certifiably stands in the way of the ambition of any payment business to operate across many nations is regulatory fragmentation. It goes in line with compliance standards, tax policies, currency controls, and anti-money laundering procedures—just a few out of many regulations through which the activities of all businesses are governed [37]. In fact, it is a matter of fact that businesses are always adjusting to new environments regulated by new sets of regulation, some of which at times conflict. This inconsistency also exposes businesses to increased operational expenses and legal liabilities [38]. In addition, the absence of harmonization among regional economic communities in Africa worsens scope and efficacy challenges within which cross-border payment operations take place [39].

It is a complement to this regulatory fragmentation challenge that the cross-border payment companies in Africa face a structural and substantive infrastructure deficit. In most African countries, infrastructural development of finance and technology is still very underdeveloped in rural areas where there are no basic banking services, let alone the internet. Digital payment systems are therefore less effective and less far-reaching in areas with no reliable internet access [40]. Most African countries lack appropriate infrastructure that would support such payments, with the developed infrastructure at very formative stages and unable to accommodate huge volumes of cross-border transactions [41]. Inadequacy results in increased transaction costs, delayed processing, and a lack of confidence in the payment systems, likely to discourage full consumer and business adoption of such systems. A specific infrastructural challenge thus comes very close to more general issues of digital literacy and financial education; most potential users will not be able to put in place digital payment platforms due to a lack of the necessary knowledge or abilities [42]. Indeed, these infrastructure deficits point to an enabling environment that will be created for further developments of the firms involved in cross-border payments and, generally, digital economy firms on the African continent.

Another very acute challenge is related to cybersecurity, having a direct correlation with growing potential fraud within cross-border payment systems. The more the adoption and higher volumes of transactions, the more the visibility to cybercriminals targeting vulnerabilities to exploit within the environment in which the payments are occurring [43]. The sophistication of cyber-attacks has brought about a myriad of risks, including phishing, identity theft, financial deception, and intricate hacking techniques. These security concerns are further exacerbated by the fact that many African countries are technologically incapacitated and lack the appropriate regulatory frameworks in place to counter these crimes [44]. This could be economically disastrous for both payment firms and consumers, given that losses from such cyber-attacks will erode confidence in digital financial services and may bring the growth of cross-border payments to a standstill. Moreover, the majority of firms across the cross-border payment landscape in Africa are smaller firms, mostly startups, which do not have the resources to invest in the best cybersecurity measures and are, thus, very easy to attack [45]. The challenge for institutions of this nature remains one of balancing the need to protect their systems and clients against the sophisticated cyber threats, against the need to innovate and grow.

Collectively, these challenges remain major hurdles to the continued growth and success of cross-border payment companies operating in Africa. While the continent has made some progress in using digital financial services, these obstacles are going to require considerable effort from both the private sector and policymakers. Indeed, facilitating the path toward the full potential of cross-border payment systems for transforming the financial landscape of Africa in general, toward promoting entrepreneurship and the growth of SMEs, will call for regulatory fragmentation, the development of infrastructure, and strengthened cybersecurity [46].

4.4. Implications for Entrepreneurship and SMEs

The proliferation of cross-border payment companies in Africa have huge implications for entrepreneurship and SMEs. The more obvious of these effects is increased access to foreign markets available to African SMEs. International transactions are complex and costly; thus most African firms, especially SMEs, are considerable constrained in accessing such markets. Most of these barriers have been brought down by the emergence of digital payment channels, thereby making international trade very seamless for even the smallest businesses [47]. With digital wallets and mobile money platforms, African SMEs are able to receive payments in foreign exchange outside of the traditional banking system, which is slow and charge exorbitant costs for international transactions [48]. For SMEs, the increased access to foreign markets is associated with an augmented customer base, diversified sources of income, and competitiveness of business ventures [49].

Not all SMEs, however, benefit equally from an international mode of payment. As they are far better placed to accommodate the intricacies involved in international transactions and to invest in the proper digital infrastructure, larger, more established SMEs tend to be disproportionately large beneficiaries [50]. While larger SMEs can easily take advantage of means of payment, it is usually rather difficult for the smaller SMEs—especially those located in the underserved or rural areas—to benefit as such. Some contributing causes to this are: poor knowledge of the regulatory requirements of international trade, lower levels of digital literacy, and restricted access to dependable internet services [51]. In other regions, the share of SMEs involved in international commerce is much higher; in sub-Saharan Africa, it is only about 15 percent, says the IFC. In this respect, targeted measures are needed to help fill this gap and ensure even the smallest SMEs actually benefit from any such expansion of cross-border payment systems [52].

Equally important are the implications for entrepreneurship. The proliferation of cross-border payment providers in Africa has spawned a thriving fintech ecosystem for the launch of innovative new businesses. The innovative business models, really able to work exceptionally well in Africa, are being offered by these new fin tech firms and changing the financial services sector [53]. For example, African companies can use payment solutions developed by firms such as Flutterwave and Paystack to meet their needs. Such systems facilitate payments in local currency and are integrated with key mobile money networks. In fact, these innovations have made it easier for entrepreneurs to set up and scale their businesses, thereby creating jobs and stimulating economic activity across the continent [1].

Indeed, the rapidity of the growth experienced in the fintech sector has brought in its wake a number of new challenges to be vanquished by business owners. With substantial investments needed in technology and talent just to remain competitive, startups are having to continue innovating [54]. Things are further complicated by the fact that the state of the regulatory framework in Africa remains fragmented, meaning fintech businesses are having to deal with different rules in every country in which they have operations [55]. For smaller firms, tackling compliance in multiple jurisdictions can be especially trying if they lack relevant staff. This way, the industry risks to remain in the hands of a few megacorporations that will restrain competition, innovativeness, and possibility of entry [56]. The second factor related to growth in cross-border payment networks influences SMEs because these technologies raise economic activity and reduce corporate costs by the simplicity and speed of international transactions. This may, therefore, benefit SMEs through an increase in demand for their goods and services. Apart from allowing for cross-border transactions, the cross-border payment systems could also help SMEs in diversifying their sources of revenue, hence less dependent on the local markets and ready to respond appropriately to local shocks [57].

The benefits that a cross-border payment system can offer are not obvious. In particular, one must consider to what extent SMEs will be in a better position to make use of such systems, considering aspects such as digital readiness, access to capital, and compliance with international trade standards. Policymakers should therefore create an enabling environment that addresses the peculiar needs of SMEs and promotes international payment systems. There would need to be programmes aimed at making SMEs more digitally literate, expanding their access to capital, and streamlining procedures that may cripple their ease of doing business, especially when seeking to participate in international trade [58]. It is rather plain that this study has filled a rather significant lacuna that already exists in literature on how cross-border payment systems affect entrepreneurship and SMEs in the continent of Africa, having drawn from the established research objectives. Prior research has focused on the diffusion of fintech in Africa and related changes in access to financial services, while few have focused on the relationship between international money transfers, entrepreneurial spirit, and SMEs. This systematic review has, in addition, provided insight into the complex ways in which cross-border payment systems are altering the playing field in regard to SMEs and entrepreneurs at large.

This research has also shown how critical it is to consider the pros and downsides cross-border payment systems have. Though these systems have the potential to create high growth rates and absolute economic progress in Africa, they are also open to risks, mostly to small SMEs and new entrepreneurial firms. From the results, it is clear that what we need is a middle ground strategy that takes into consideration both pros and cons of international money transfers and work on the way forward to alleviate systemic hurdles that may exclude some firms from the digital economy.

5. Conclusion

With that, the most recent boom in African cross-border payment firms will be a game-changer for the entrepreneurial scene in Africa and may foster the rise of SMEs. SMEs in Africa have never had such access to the global marketplace, engendered by the wide adoption of technologies for payment and reduction of barriers to trade. It has particularly helped to extend digital access, accelerate financial inclusion, and open the pathway to innovation in FinTech. The analysis also brought out the obstacles that continue to prevent all these many benefits to be fully materialized, like fragmentation at the level of legislation, infrastructural weaknesses, or cybersecurity threats. Though the benefits from international payment systems are evident, these issues must be resolved so that any business, anywhere in the world, regardless of size, can join in and benefit from a digital economy.

This research fills an important gap in existing literature. This added something new to the literature by putting international money transfer, entrepreneurialism, and SMEs in Africa into consideration. This exposes that while international payment systems may spur innovation and economic progress, there is still much to get done until we have an enabling environment for varied demands by SMEs. The results provide a strong economic rationale for removing some of the obstacles that smaller firms face in attempting to use the systems, thereby allowing a more equitable sharing of the advantages accruable from the use of digital financial services.

Recommendation for Future Research

Therefore, to guide future research studies, it is incumbent upon researchers to research and painstakingly identify how different SME sectors engage with cross-border payment systems, especially in heterogeneous environments characterized by varying legislation and infrastructures. Researchers can also go ahead to examine how policies put in place by governments are going to influence the future of the digital economy and how these systems will affect SMEs' survival and long-term growth. Not less important is research into the effectiveness of efforts towards improving digital literacy, financial inclusion, and cybersecurity of people with regard to cross-border money transfers. These are areas in which future research should look into achieving an all-inclusive digital economy in Africa that all SMEs can leverage and compete with globally.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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