

Developing and Validating A Comprehensive Factorial Model of Factors that Influence Consumer Trust in Mobile Payments: A Mixed Method Approach

AHMED SHUHAIBER, HANS LEHMANN, TONY HOOPER

Abstract

The academic literature on mobile payments indicates that consumer trust is a major inhibitor of the adoption of mobile finance applications. In the specific case of mobile payments it seems uncertain what causes this lack of trust as little can be found in recent and current research about the factors that contribute (or otherwise) to consumer trust in mobile payment transactions - which are a growing subsection of the mobile finance field. A research project was undertaken to find such factors and assess their influence. The investigation establishes a factorial framework of the factors that influence consumer trust in mobile payments. The paper describes the research sequence: (a) how a (vague and bland) propositional model is originally derived from the literature; it is then used as the foundation for a qualitative research phase that (b) empirically grounded the first construct by ranking proposed and newly emerged factors in terms of their materiality for building trust in the consumer about the mobile payment process. A mixed method approach with unstructured individual interviews and a set of semi-structured focus groups was used to refine the propositional model in the United Arab Emirates; (c) as a result, an instrument was created, calibrated and refined to measure the individual degree of consumer trust; and (d) a first single path PLS model was constructed that quantified the importance of factors that enhance/inhibit trust. Finally, directions for further research to internationalise the model are set out in conclusion.