POINT OF SALE (POS) AND THE PROMOTION OF ECONOMIC ACTIVITIES AMONG YOUNG ADULTS IN RURAL COMMUNITIES OF NORTH CENTRAL STATES OF NIGERIA

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Abstract

Adult learners needs to be part of the trending technological change and embrace the entrepreneur skills of the 21st century, if they are to participate in economic development of the country. Point of Sale (POS) is one of the lucrative business venture embraced by some entrepreneurs who served as third party agent to financial institutions in Nigeria today. Aside that, several threats affect the survival of small, independent retail businesses/companies in which the adoption and use of POS systems may offer important benefits to counter. In that regard, this paper examines how POS has contributed to the promotion of Economic activities among young adults. POS is beneficial to adult learner and also promotes their economic contribution towards development. However, it is clear that the benefit of POS system for businesses and as a means of job creation have not been fully actualized in Nigeria.This paper therefore recommends that adult entrepreneur should be trained by stakeholders in banking sector and provided loan package to expand the business in order to create employment opportunity for unemployed youth and generate income for livelihood. Also there should be conducive atmosphere for investment and labour market that works better for entrepreneur should be created by stakeholders in banking sectors and government. In conclusion it is the responsibility of government and every individual in the country to be resourceful and useful so as to improve on the economy of the nation.

Keywords: Point of Sale, Economic Development, young adults, rural communities

Introduction

Every country's desire is to make life easy, cheap and comfortable for her citizens. It is towards this direction nations engaged in many activities some of which are economic, political, social, religious, cultural, and technological in order to raise the capital base of the nation (Mbalisi & Oyebamiji, 2015). It is believed that increase in the capital base will empower the nation to embark on development of infrastructure and production of goods and services that would make life easy, sweet and comfortable. In an ideal society, comfort as a result of improved human well-being is achieved when there is an increase in per capital income and standard of living among others for the citizen.

Nations of the world develop payment system to solve financial challenges and boost the economic growth and development. One of such system is the point of sale system in Nigeria. POS was first introduced in Nigeria in 2011 when the central Bank of Nigeria implemented the cashless policy. This policy was implemented to reduce over reliance on cash transaction and the POS is a suitable cure to the dependence on cash. POS promoted the electronic payment systems and with time the POS has circulated around Nigeria and is being used in almost all businesses. Mafimisebi, Akinbobola, Mafimisebi, Ugbedeojo & Olarinde (2019) sees a point of sales (POS) is a device allowing the use of payment cards such as debit cards at a physical point of sale in making payments for transactions or demands made. This makes the system of payment quite easy, convenient and fast for users. A point of sale (POS) can be generally defined as a point at which a sale is made, the ownership (and usually the possession) is conveyed from the retailer to the buyer, and indirect taxes (such as VAT) become payable. A point of sale is, commonly, a retail outlet. Kim and Kim (2013) defined a point of sale system as a "supply net administration system for customer management" which delivers real time control of merchandise in stock and sale analysis.

According to Kundai (2017), POS systems deliver valuable, near-real-time information on sales, such a system can be used to update inventory stock status and generate purchase orders as needed. According to the report from the apex money regulatory body in Nigeria (CBN 2011), the e-payment system has helped to solve many of the associated challenges arising in the country ranging from the exuberant cost arising from frequent printing of currency notes, currency sorting, cash movement, keeping large amount of cash, security cost of checking high incidences of robbery among others (Akerejola, 2017).

The advancement in information and communication technology witnessed in the 21st century has transformed the landscape of entrepreneurship in Nigeria. Modern banks now realize the role of the entrepreneur as an agent of economic growth and employment generation in the society. The introduction of Point of Sale (POS) for accessibility and easy transaction to bank customers especially among the rural dwellers in Nigeria could be a horizon for income generation to some youths and most especially adults who are not gainfully employed or who are looking for more source of income generation.

The POS system can be an effective aid for nations to achieve economic development. However, these device seems to not have been utilized effectively for the development of the nation. The attempts to grow the nation's economy has been bedeviled by poor infrastructural facility development and maintenance, dependence on imported goods and services, reliance on a single economic sector, weak industrial capacity, inefficient and ineffective public utilities, and low literacy level. These problems constitute a cog in the wheel of Nigeria's economic growth and development and as a result hinder human growth and development and improved human well-being (Mbalisi & Oyebamiji, 2015). This paper therefore intends to reveal how point of sale system can be utilised for the promotion of economic activities of young adults in Rural communities in the North Central states, Nigeria

Conceptual Clarification

Concept of POS System

The POS system is synonymous with POS terminal. However, POS terminal is the electronic equipment performing the sales transaction and processing the credit card payments to customers. It is used in most storefront businesses, a computer terminal combined with the POS software helps to manage everyday sales transactions and operations. Adam (2019) explained that point of sale (POS), is a critical piece of a point of purchase, refers to the place where a customer executes the payment for goods or services and where sales taxes may become payable without undue stress. It can be in a physical store, where POS terminals and systems are used to process card payments or a virtual sales point such as a computer or mobile electronic device.

Point of Sale

Point of Sale and Point of Purchase are synonymous terms, which can be used interchangeably. The point of sale is the transactional period or is the place where the customer makes a payment for products or services at a store. To simply put, every time a customer makes a purchase at a store, the location or spot where the transaction is completed is refer to as point of sale or point of purchase. The Business Services Authority (2015) explained that point of sale (POS) or point of purchase (POP) is the time and place where a retail transaction is completed. The point of purchase is the area that surrounds the point of sale, where customers often encounter promotional activities or other products. At the point of sale, the merchant calculates the amount owed by the customer, indicates that amount, may prepare an invoice for the customer (which may be a cash register printout), and indicates the options for the customer to make payment. It is also the point at which a customer makes a payment to the merchant in exchange for goods or after provision of a service. After receiving payment, the merchant may issue a receipt for the transaction, which is usually printed but can also be dispensed with or sent electronically.

Business Services Authority (2015) also explained that the point of sale is often referred to as the point of service because it is not just a point of sale but also a point of return or customer order. In essence, it is also the channel for return or where customer can order. POS terminal software may also include features for additional functionality, such as inventory management, CRM, financials, or warehousing. However, in this paper, point of sale is defined as the time and place where cash exchange or cash transaction between a bank agent or merchant and a customer is carried out. That is, the bank agent provides cash deposit, withdrawal, bill payment or other services to bank customer at a convenient time and location for the customer.

Generallythe following are the types of POS systems and how the software and hardware come together to make a complete system.

a. **Traditional POS Systems:** With traditional or legacy POS systems, all the software and data is stored on a local server at the business.

b. **Cloud-Based POS Systems:** With cloud-based POS systems, POS software is installed on the POS hardware, and the data is stored on a server in a remote location ("the cloud") and in the cloud. Saving the business data in the cloud allows one to access and manage the back office of your POS system via the internet (Mike, 2019).

c. **Hybrid POS Systems:** If the business operation is not utterly dependent on the internet or on-site servers to keep business up and running, it is safe to choose a hybrid system that uses both the cloud and local servers to ensure easy access to POS application and data (Mike, 2019).

d. **Mobile POS Systems:** Used as a standalone device or as an extension of countertop POS system, mobile POS systems allow the use of an iPad or Android tablet as a point of sale device. Mobile POS gives line-busting capabilities that keep lines short and improve customer experiences (Mike, 2019).

Economic Importance of POS Business in Nigeria
The POS business have allowed the bank to reach a larger demographic and also, to offer more flexible and convenient access to existing and new customers. In addition, the business ensures the safety of customers and helps reduce traveling long distances to have access to banking. Most importantly, it plays a big role in boosting financial inclusion especially to people in rural areas. Furthermore, the business has provided job opportunities and financial stability by helping the agent make money in the following ways:

Commission: Banks pay agents commission based on the volume of transactions carried out on their behalf (Ojo, 2019).

Service Charges: By rendering service to customers, you can also charge them a particular amount especially on bills payments, taxes, and subscriptions.

Float: Depending on your cash management policy, you can also make use of cash deposits, net of withdrawal for your primary business. By operating this business, you are not only increasing your stream of income, but you are also serving the needs of the people in your community.

Significance of POS in Entrepreneurship
The significances of POS in Business are summarized by Insight Desk (2019) as follow:

1. **Reduces time spent on management:** A well-installed POS system provides relevant reports to help manage and make periodic profit-making decisions. The streamlined POS system also reduces unnecessary hours spent on menial administrative tasks and frees up the owner's time to focus on the core business.
2. **Consistent pricing:** Maintaining price consistency across different store locations is achieved with a POS system in place. POS systems give retailers the freedom to access the digital database of products through which they can view and amend prices, generate discounts, create special offers, and more. These offers can also be auto-generated and applied across different locations with a consistent pricing strategy.
3. **Cloud-based facility:** As businesses are getting more complex, the demand for installing secure and precise POS systems is on the rise. Earlier, when there was an issue in the system, a developer needed to be present in-person to resolve it. But with the introduction of a cloud-based POS system, solutions come handy where they can be monitored and addressed remotely by the service provider without having to waste any additional time.
4. **Security:** When card details are provided to action a sale with any retailer, a sensitive piece of information becomes highly vulnerable, and hackers can get an easy pass to steal customer information. But thanks to the modern age POS system built on an extremely acute and complex algorithm that takes care of loopholes to avoid data theft and protects the end-user.
5. **Covers every business:** Ready to cater to a versatile range of business needs, you can easily find a POS system that truly aligns with your business needs. The system offers a wide variety of packages that can cover almost every vertical and industry type. The technology is a great fit for businesses ranging from automobiles, salons, electronics, clothing stores, and more.
6. **Reduce mistakes:** In a retail business setup up, pricing plays an essential role, and through a POS system, when the price of a product is changed, it reflects throughout the entire process. Therefore, it is easier for companies to ensure consistent numbers and reduce ambiguity.
7. **Different payment modes:** Almost every business accepts different modes of payment, and managing them can get complex. But not anymore! POS systems support all modes of payments. Be it cash, cards, cheques, or online transactions.

Concept of Economic Development

The term economic development has been explained by different authors based on their perspectives. Hall in Arogundade (2011); Mbasili and Oyebamiji (2015) and Hassan (2018) see development as a steady overall economic growth of a nation together with the steady reduction of gap between the rich and the poor. He stressed that without the concept of equitable distribution of national wealth, economic expansion can only be called growth, not development. It is on this background that this paper sees economic development to include increase in per capital and family income, gross national product, gross domestic product, income distribution, the labour force and job opportunities, housing needs, shift in the labour force from agricultural to industrial and service sectors, rise in energy consumption, expanded use of high technology such as automobile, telephones, television and public transportation among others as economic development. Therefore, economic development is the total improvement in standard of living of a nation.

Concept of Technology

Technology refers to methods, system and devices which are the result of scientific knowledge being used for practical purpose. Technology is also the skills and processes used to achieve goals. According to Kumar (2015) technology consists of two primary components: (1) a physical component which comprises of items such as products, tooling, equipment's, blueprints, techniques, and processes; and (2) the informational component which consists of know-how in management, marketing, production, quality control, reliability, skilled labor and functional areas.

Technology is always connected with obtaining certain result, resolving certain problems, completing certain tasks using particular skills, employing knowledge and exploiting assets (Lan & Young, 2014). Burgelman (2016) refer technology as the theoretical and practical knowledge, skills, and artifacts that can be used to develop products and services as well as their production and delivery systems. Technology is also embodied in people, materials, cognitive and physical processes, facilities, machines and tools (Lin, 2013). Bozeman (2013) argues that technology and knowledge are inseparable simply because when a technological product is transferred or diffused, the knowledge upon which its composition is based is also diffused. The physical entity cannot be put to use without the existence of knowledge base which is inherent and not ancillary
.

Who is an Adult?

An adult is one who has attained a certain age of 18 to 21 years and above depending on the stipulations of the law. The problem with using chronological age as a measure of adulthood is that it varies from country to country, from time to time and even from age to age (Nnamani, 2014). The Constitution of the Federal Republic of Nigeria (1999) puts the adult age at 18 years. Certain characteristics can also be used to describe adulthood. These include maturation, measuring adulthood in terms of the socio-economic status of the person and locally by the opportunity to be initiated into an age grade masquerade cults, puberty rites and initiation into manhood/womanhood. The Constitution of Nigeria put an adult as a person who is characterized with moral and emotional maturity, tolerance as well as socially, politically and economically responsible. In this paper young adults are conceptualised as the youth that constitute the labour force and that are still able to perform economic activities.

POS Business in Nigeria: A Means of Job Creation for Young Adults

Basically, the POS business also known as agent banking began in 2013, after the Central Bank of Nigeria released its guideline on the operations and management of the business. Since then, it has remained one of the retail channels of several commercial banks to make their banking services reach a large number of people (Ojo, 2019).

A banking agent owns and operates a retail outlet. He/she conducts the financial transaction and allows clients to deposit, withdraw, transfer funds, pay bills, recharge airtime, inquire customer's account balance, and other related services. POS thrives more in rural areas, semi-urban centers, and the unbanked and under banked communities. It is similar to any other remote banking channel. The banks equip the agents with point-of-sale (POS) card reader, mobile phone, barcode scanner, personal identification number (PIN) pads, and personal computer. They are third party agents and can be an agent to as many banks as they can serve (Ojo, 2019).

POS business is a legitimate way to make money in Nigeria. It's more profitable in communities with no banks and places where ATMs are not enough to serve the financial needs of the community. It is also called agent banking business, and it's an extension of the services offered by financial institutions to enable easy service offering to a wide range of customers. POS (Point of Sale) business also offers services like bill payments such as GOTV, DSTV, Startimes, electricity consumption, and other utility bills. It is used in several places where goods and services are sold/rendered; places like retail shops, offices, supermarkets, fuel/gas stations, pharmacies, eateries, and other business ventures that are not close to the bank.

By creating easy access for financial transactions in different localities, the POS business has given individuals and business owner's additional means of income. They are sometimes called bank agents. Although not serving as direct employees of a bank, they deliver banking services on behalf of banks on an agreed commission. It is a profitable business and one of the best means of getting passive income. The POS thus create huge job opportunity for individuals with basic knowledge of computer application on mobile gadgets such as POS devices. This certainly will provide a means of income for the adult and youth in both urban and rural areas across the Country.

Point of sale (POS) systems has played a significant role in promoting rural economic activities by providing access to digital payment systems, enabling rural businesses to accept various payment methods, increasing their customer base and revenue streams and increasing monetary security by preventing fraud and theft. This, in turn, contributes to the overall growth of the rural economy. However, the POS system seems to be be shackled with diverse problems that limits it ability to aid economic development. These challenges makes it difficult for young adults to utilize it in the promotion of economic activities of the rural communities. These are financial constraints like inadequate funds, high transaction fee...., social and cultural barriers like resistance to technology..., Security challenges like fraud and the most important is the knowledge gap created by lack of training and understanding of the use of the POS technology. These challenges makes the use of POS for livelihood sustainance less effective.

Vocational Adult Training A Cure For The Problems Of Development For Young Adults

POS is an additional way of getting income for young adults. However, some of these adults venture into this business without adequate training that will equip them with the necessary skills and mindset required for a successful business. Training and support should be provided for young adults before they start using the POS for their livelihood. A nation who has majority of its citizens catered for and nurtured is likely to achieve development. Skilled and informed adult population is very necessary both for the advancement of social and economic development as well as the promotion of internal unity. This fact makes vocational adult education an indispensable means for the achievement of economic development of a nation. This situation calls for vocational adult training that shall be directed towards addressing these problems and challenges facing economic development and human being. Vocational adult training is very crucial to addressing these problems because it provides adult with the necessary skills, attitudes, knowledge, values, beliefs required to trigger social and economic development of any society. It is important to target adults because they, rather than children hold the destiny of modern society in their hands (Anyanwu in Mbasili & Oyebamiji, 2015). In support of Anyanwu's view, Nzeneri

(2008) maintains that adults are those who are already working and participating in development efforts. Nzeneri further emphasizes that adult education programmes unlike education for children and adolescents, centre on the immediate needs and problems of the adults in their homes, social and occupational roles, civic and economic interests and therefore have immediate direct positive relationship with development objectives. Since adults are those already participating in development efforts, there is need to develop a skilled and informed population of adults who would be capable of understanding national problems and needs and are able to channel their activities towards the fulfillment of national goals. Developing rural digital infrastructure, such as internet connectivity and mobile networks, is crucial for POS adoption in rural communities. The adult learners needs to be trained with the aid of these digital infrastructure to make learning real.

Conclusion and Recommendations

Today, Nigeria is still confronted with dismal economic indices. For Nigeria to attain the status of a developed country, it is paramount that both individuals and government at all level should join hands to build a country where everyone is resourceful and useful. Technological innovation like the POS which has the ability to boost rural economic activities can be a way of empowering young adults to become self reliant and be able to contribute to economic development. Recently, some entrepreneur in the county have ventured into point of sale business but are still faced with some challenges. The irony of the country is that majority of the technological illiterates are the ones found in the POS business. It is this category of citizens that needs relevant vocational training that would be designed to equip them with relevant knowledge, attitudes, skills and commitment required to drive meaningful economic development in Nigeria. If individual or business organization gives the desired attention to POS system, adult entrepreneur and unemployed youths will become gainfully employed either by being self-employed or by working for others, and this will mitigate boost the economy of the nation. POS business is an additional way of getting income, aside from the existing business. It is a way to expand service offerings and one of the best methods to cross-sell products/services to walk-in customers. The following recommendations are proffered based on the issues discussed in the paper:

1. Federal government should subsidise the cost of POS device. This will encourage many adults to venture into the business.
2. The government at all levels should work out a loan package for adult entrepreneur to purchase POS device to gainfully provide employment for them and youths in their community.
3. Stakeholders in banking sector should organise training for the adult entrepreneur on effective and crime free POS services to the customers.
4. The banking sector and its stakeholders should promote conducive atmosphere for investment for entrepreneurs by increasing remuneration.
5. Entrepreneur seminars, conferences or workshops should be organised for adult entrepreneur by both government and non-governmental organisation in the area of technological utilization for gainful employment.

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