

Micro Pension Scheme in Nigeria, Assessing Social Influence and Regulatory Framework as Drivers for its Adoption

¹Yusuf Abdulrahim Otori

abdulrahimotori@gmail.com

+2348036947745

²Ibrahim Nurudeen Abdullahi

nurex0779@gmail.com

+234 8064576994

³Abdulhakeem Yahaya

abdulhakeemyahaya01@gmail.com

Abstract

The Micro Pension Scheme (MPS) was introduced to extend retirement savings coverage to Nigeria's large informal sector, yet enrolment remains significantly low, particularly in semi-urban areas such as Zaria Metropolis. Drawing from insights in the attached proposal, this study examines how social influence and the regulatory framework drive the adoption of micro pensions among informal sector workers in Zaria. Social influence, conceptualized as normative pressure from peers, family networks, and trade associations, is expected to play a crucial role in shaping attitudes and willingness to enrol in MPS due to the communal and association-based nature of informal economic activities in the region. Likewise, the regulatory framework defined by the clarity of PenCom guidelines, enforcement mechanisms, transparency, and consumer protection provisions is anticipated to influence trust, perceived system integrity, and confidence in long-term savings. Using a quantitative cross-sectional design, the study proposes a structural model in which social influence and regulatory provisions predict intention to adopt the micro pension scheme. The study aims to provide empirical evidence relevant for pension regulators and policymakers in strengthening regulatory communication and leveraging community-based networks to boost micro pension participation in Zaria Metropolis.

1. Introduction

In Africa, most workers in the informal sector work without any form of social protection (UNDP, 2021). Retirement planning is a critical component of financial security, yet in Nigeria, a significant

proportion of the workforce remains excluded from formal pension systems. The introduction of the micro pension scheme (MPS) under the Pension Reform Act of 2014 aimed to address this gap by extending pension coverage to the informal sector, which constitutes over 80% of Nigeria's labor force (Nutsunidze & Nutsunidze, 2024). Despite this initiative, uptake of micro pensions remains low, raising questions about the behavioral and socio-economic factors influencing adoption (Yusuf et al., 2024). While income constraints and irregular earnings have been widely cited as barriers, emerging evidence suggests that factors such as social influence and regulatory framework play a crucial role in shaping adoption decisions (Yusuf & Ameh, 2024; Olaiya et al., 2023). Informal sector workers often operate in environments characterized by uncertainty, limited financial knowledge, and skepticism toward formal institutions. Understanding how these factors interact to influence uptake is essential for designing effective interventions. Existing studies often apply isolated behavioral theories such as the Technology Acceptance Model (TAM) or Unified Theory of Acceptance and Use of Technology (UTAUT) to explain adoption. However, these frameworks rarely integrate institutional factors like regulatory provisions with behavioral constructs such as financial literacy, trust, perceived benefits, and social influence. There is limited theoretical synthesis explaining how regulatory frameworks interact with individual-level determinants in shaping pension uptake intention in informal economies. Furthermore, empirical evidence on micro-pension adoption in Nigeria is sparse and fragmented. Most studies focus on awareness or financial literacy

alone, neglecting the influence of perceived benefits, social influence, and regulatory framework. Furthermore, existing research rarely examines these factors simultaneously within a unified behavioral model, leaving unanswered questions about their relative and interactive effects on uptake. Most available studies on pension adoption in Nigeria focus on formal sector employees or urban populations (e.g, Ajadi, 2024; Donghui, Baoqian, 2025; Long, Zhaoyang et al, 2024 & Otavová, Blazková, Hasíková, Gláserová, 2025), overlooking the informal sector dynamics in Northern Nigeria, where cultural norms, religious considerations, and income volatility strongly influence financial behavior. Limited attention has been given to how regional disparities, association-based social structures, and trust in regulatory institutions affect micro-pension uptake in these contexts. This gap constrains the development of targeted interventions for regions with the highest exclusion rates. In line with the established gaps above, it is worthy of note that while regulatory frameworks exist to facilitate inclusion, their impact on actual uptake remains unclear due to theoretical fragmentation, limited empirical integration, methodological weaknesses, and contextual neglect. Addressing these gaps is essential for designing evidence-based strategies to achieve Nigeria's pension coverage goals and reduce old-age poverty among informal workers.

1.1 Research Hypotheses

H₁: Social influence has no significant effect on the uptake of micro pension among informal sector workers in Zaria Metropolis

H₂: regulatory framework has no significant effect on the uptake of micro pension among informal sector workers in Zaria Metropolis

2. Literature Review and Theoretical Framework

2.1 Concept of micro pension

Micro pension schemes are structured savings arrangements that provide informal workers with an opportunity to save for retirement, with contributions being small, flexible, and often supported by digital financial platforms. ILO (2021) describe micro pension scheme as a form of retirement savings

initiative that targets low-income earners and self-employed individuals, using simplified enrollment procedures and contribution mechanisms suitable for irregular income earners. Nwachukwu and Okonkwo (2020) observed that micro pension schemes refer to innovative retirement plans designed to incorporate the informal sector into the national pension framework by offering flexible and accessible savings structures tailored to their income and employment conditions. PenCom (2022) define micro pension scheme as a pension arrangement designed specifically for self-employed individuals and workers in the informal sector, allowing them to make flexible, convenient, and voluntary contributions towards their retirement savings. The Micro Pension Plan (MPP) is a contributory pension plan tailored to meet the peculiarities of workers in the informal sector, with the goal of ensuring old-age. Intention to uptake (often termed adoption or behavioral intention) refers to an individual's self-reported readiness and willingness to perform a specific future behavior, such as adopting a new service, technology, or practice (Ajzen, 1991 & Jeyaraj, 2023). It is widely treated as the most proximal psychological determinant of actual behavior in dominant social-psychological and technology adoption theories (Ajzen, 1991; Chao, 2019 & Peng et al., 2022). Intention to uptake captures how hard a person is prepared to try and how much effort they plan to exert in order to perform a target behavior (Ajzen, 1991). In adoption contexts, it is commonly defined as the extent to which an individual is willing or ready to use an innovation, technology, product, or service in the future (Jeyaraj, 2023 & Li et al., 2023).

2.2 Social influence

Social influence refers to the extent to which important referents (peers, leaders, family, associations) believe an individual should use a system. In UTAUT, social influence is a core determinant of behavioral intention and usage, alongside performance and effort expectancies and facilitating conditions (Venkatesh et al., 2003). Diffusion theory further explains that observability (seeing others benefit) and compatibility (fit with local norms) accelerate adoption through peer networks features particularly salient in Nigeria's

association-based informal economy. Consumer decisions in the product or service sector are often strongly influenced by individuals who have an impact on the customers' behavior [50]. The whole boom of influencer marketing nowadays is more or less based on this fact. However, in the medical field, the degree of perceived uncertainty from the patients' perspective is frequently very high, which leads to the fact that social influence has a very strong effect on patients' decision-making behavior. Moreover, studies have shown that individuals whom patients feel closely related to have a strong impact on a variety of health-related decisions such as the choice of physician, the therapeutic method, or the frequency of medical consultation. Beyond that, social influence was represented as subjective norm and was already an integral part of the TPB and of subsequent theories from the field of technology acceptance. For this reason, we focused on social influence as the independent variable

2.3 Regulatory framework

A regulatory framework is a structured system of laws, regulations, guidelines, and institutional arrangements that govern behavior in specific sectors to ensure compliance, protect the public interest, and promote fair and efficient practices (Fiveable, 2022). It defines both the substantive rules that organizations must follow and the organizational architecture for making, implementing, supervising, and enforcing.

2.4 Review of empirical studies

Social influence captured as subjective norm, social pressure, or the perceived expectations of important others is a central determinant of intention to adopt products in many empirical models, although its strength varies by context and voluntariness of use (Venkatesh et al., 2003, as summarized in UTAUT Review, 2025). In the Unified Theory of Acceptance and Use of Technology (UTAUT), social influence is defined as the degree to which individuals perceive that people who are important to them believe they should use a system, and it is theorized to affect behavioral intention more strongly when usage is mandatory than when it is voluntary (Venkatesh et al., 2003, as summarized in UTAUT Review, 2025).

Empirical studies across domains such as ICT, fintech, mobile banking, e-money, pensions, and social commerce generally confirm that when social networks, peers, or authority figures endorse a product, individuals exhibit stronger intentions to adopt, but they also show that in some voluntary or highly individualized contexts, social influence can be weak or insignificant (Ayaz & Yanartaş, 2020; Sugandini et al., 2022). In general technology-adoption and ICT settings, many UTAUT-based studies report a positive and significant effect of social influence on behavioral intention, but with notable qualifications. Ayaz and Yanartaş (2020) analyze the unified theory of acceptance and use of technology in the context of electronic document management systems and find that social influence, together with performance expectancy and effort expectancy, has a positive effect on behavioral intention to use the system (Ayaz & Yanartaş, 2020). A UTAUT-based study on metaverse adoption in digital learning environments similarly finds that social influence has a positive and significant impact on behavioral intention, with a standardized coefficient of about 0.19, indicating that perceptions of what peers and instructors think one should do meaningfully shape intention to use the metaverse for learning (Metaverse Technology Adoption, 2024). By contrast, Sugandini et al. (2022), examining e-learning adoption under general anxiety, report that performance expectancy, effort expectancy, and attitude significantly predict intention to adopt e-learning, but social influence does not have a significant effect, suggesting that in some voluntary, self-paced learning environments, peers' or supervisors' opinions may matter less than personal beliefs about usefulness and ease of use (Sugandini et al., 2022). These mixed findings align with UTAUT theory, which emphasizes that voluntariness of use moderates the strength of the relationship between social influence and intention (UTAUT Review, 2025). In fintech, mobile financial services, and mobile banking, social influence is often found to be a significant driver of adoption intention, particularly where peer and family endorsements are salient and digital financial literacy is uneven. A 2024 study on determinants affecting intention to adopt fintech shows that social influence has a positive and significant effect on users'

intention, with results indicating that individuals look to others' behavior and recommendations when determining whether fintech services are acceptable and beneficial. The same study notes that social influence also enhances perceived usefulness, meaning that endorsements from friends and family not only exert direct pressure but also shape users' cognitive evaluations of fintech's benefits. Hoque (2024) extends this view by analyzing "social and facilitating influences" in fintech adoption and finds that social influence measured through peer effects, family encouragement, and opinion leaders' recommendations significantly increases intention to use fintech services, with the effect particularly strong among women and younger users in emerging markets (Hoque, 2024). In the mobile financial services space more broadly, Yan et al. (2021) show that social influence, perceived trust, and perceived value are all strongly related to intention to adopt mobile financial service platforms, underscoring that social acceptance and peer use are key components of users' readiness to adopt new financial technologies (Yan et al., 2021). Mobile banking studies add further nuance by showing that social influence can act as both a direct antecedent of intention and an indirect driver through perceived usefulness and trust. Arruda Filho and colleagues (2022) investigate social influence effects on consumers' intention to adopt mobile banking and find that social influence positively and significantly predicts behavioral intention, perceived usefulness, and trust in mobile banking, while perceived risk moderates some of these relationships (Arruda Filho et al., 2022). Their results imply that when important others endorse mobile banking, consumers are more likely to see it as useful and trustworthy, which in turn increases their intention to adopt (Arruda Filho et al., 2022). A separate study focusing on Malaysian communities also concludes that family, friends, and social networks play a pivotal role in shaping individuals' attitudes and behaviors toward mobile banking, highlighting that social influence significantly affects intentions to use and overall satisfaction, and that peer recommendations and community endorsements can be powerful tools to encourage adoption. A recent paper on Gen Z's intention to accept mobile banking finds that social influence, along with performance expectancy and

hedonic motivation, significantly predicts intention, reinforcing that younger cohorts are particularly responsive to what their social circles think about digital financial services. For retirement savings and pensions, social influence is often framed as subjective norms and has been shown to be a crucial factor in shaping intentions to contribute and adjust pension strategies. Using the Theory of Planned Behavior, Gerrans and Hershey (2012) examine normative influence on retirement savings decisions and find that subjective norm is the most influential predictor of intention both to make extra contributions to superannuation and to change investment strategy, exceeding the effects of attitude and perceived behavioral control (Gerrans & Hershey, 2012). Their analysis indicates that spouses are the primary source of social influence on retirement saving, while government and employers exert relatively little normative pressure, suggesting that intimate relationships are more important than institutional messages for retirement behavior (Gerrans & Hershey, 2012). More broadly, a recent review on social norms and retirement savings notes that retirement behavior can be shaped by peer effects and descriptive norms—for instance, individuals are more likely to contribute to pensions if they believe that people like them are saving—highlighting that social norms and perceived expectations can both encourage and discourage saving (Social Norms in Retirement Saving, 2025). Similar patterns are observed in pension participation research in China, where subjective norms and family expectations form part of the internal driving factors influencing residents' participation intention in individual pension systems, alongside attitudes and perceived behavioral control (Lu et al., 2024). Empirical work on savings and financial behavior outside pensions reinforces the role of social influence and subjective norms in forming intentions to adopt financial products. A study on "financial attitudes and subjective norms influencing saving plan intentions" shows that perceived social influences from parents, friends, colleagues, and superiors significantly affect individuals' intentions to implement savings plans, with subjective norms and financial attitudes jointly explaining a substantial portion of variance in saving intentions (Financial Attitudes and Subjective Norms

Influencing Saving Plans, 2020). Similarly, a recent study on e-money adoption finds that social influence has a significant impact on payment habit and indirectly on behavioral intention: hedonic motivation and social influence both shape consumers' payment routines, which then affect their intention to continue using e-money (Hedonic Motivation and Social Influence on E-Money, 2025). In electronic payment systems more generally, UTAUT-based analyses often report that social influence significantly predicts intention especially in early stages of adoption or where systems are promoted by employers or authorities—although its relative importance may decline as technologies become more mainstream and decisions become more individual. Overall, the empirical literature indicates that social influence is an important, but context-dependent, determinant of intention to adopt products. In many technology and financial-service settings, social influence directly increases behavioral intention and also operates through perceived usefulness, trust, and perceived value, as users infer product legitimacy and benefits from the behavior and opinions of peers, family, and influential others (Arruda Filho et al., 2022). In domains such as retirement savings and pensions, subjective norms especially from spouses and close social networks can be the single most powerful predictor of intention to save or adjust pension strategies (Gerrans & Hershey, 2012; Lu et al., 2024). However, several studies also show that social influence can be weak or non-significant in highly voluntary or self-directed contexts, or once a technology is widely diffused, consistent with UTAUT's emphasis on moderating effects of voluntariness and experience (Sugandini et al., 2022). For practitioners and policymakers, these findings suggest that leveraging social networks, peer examples, and credible referents especially spouses, close family, and early adopters can meaningfully boost intention to adopt, but that social-influence strategies are most effective when aligned with context, stage of diffusion, and the degree to which use is perceived as voluntary. Also, social influence typically captured as subjective norms or perceived expectations of significant others is widely documented as an important, though context-dependent, driver of intention to adopt

products, especially in financial services and digital technologies (Venkatesh et al., 2003). Empirical research generally finds that when peers, family, colleagues, or opinion leaders are perceived to approve of a product, individuals' behavioral intentions increase, but the magnitude of this effect depends on factors such as voluntariness of use, product novelty, and cultural orientation toward collectivism or individualism (Ayaz & Yanartaş, 2020 & Sugandini et al., 2022). Overall, social influence often operates both directly by exerting normative pressure and indirectly by shaping perceived usefulness, trust, and perceived value, which then reinforce intention to adopt. In fintech adoption, several recent studies show that social influence and related normative constructs significantly and positively affect intention. A 2024 study using an extended UTAUT/TAM framework to examine fintech adoption finds that social influence is a significant predictor of behavioral intention, indicating that approval and recommendations from friends, family, and colleagues encourage users to adopt fintech services. Hoque (2024) goes further by separating "social and facilitating influences" and shows, using a large sample and PLS-SEM, that social influence (peer opinions, family encouragement, and social learning) significantly predicts fintech usage intention, with a particularly strong effect among women and younger users in an emerging-market context (Hoque, 2024). A study grounded in the Theory of Planned Behavior (TPB) that predicts fintech innovation adoption finds that subjective norms defined as perceived social pressure have a strong positive effect on intention to adopt fintech, alongside attitudes and perceived behavioral control, and that intention mediates the relationship between subjective norms and actual adoption behavior. Similarly, an analysis of fintech adoption among Generation Z consumers shows that social norms significantly and favorably influence fintech adoption intention, suggesting that younger users are particularly responsive to what their peers are doing and recommending. Collectively, these studies support the view that social influence is a key pathway through which fintech services gain legitimacy and traction. Mobile banking research also finds consistent evidence that social influence shapes adoption intention, though the strength of the

effect varies across countries and user groups. Arruda Filho et al. (2022) examine the “social influence effect on consumers’ intention to adopt mobile banking” and report that social influence has significant positive paths to intention, perceived usefulness, and trust, indicating that when significant others recommend mobile banking, users are more likely to see it as beneficial and trustworthy, which in turn boosts their intention to adopt (Arruda Filho et al., 2022). A study of mobile banking technologies in Malaysia finds that social influence operationalized through family, friends, and community opinions significantly affects both attitudes toward mobile banking and behavioral intention, underscoring the role of social circles in normalizing the use of mobile banking services. For Gen Z mobile banking users in Kathmandu, a 2024 study reports that social influence, alongside perceived usefulness and risk, significantly predicts intention to accept mobile banking, with perceived trust mediating part of the effect, suggesting that social endorsement increases trust, which then enhances intention. In contrast, some African mobile banking studies summarized in Abdennebi et al. (2023) note that while factors like performance expectancy and perceived risk are consistently powerful, social influence can be weaker once mobile banking becomes widely diffused and use is more habitual than socially driven (Abdennebi et al., 2023). For savings, pensions, and retirement products, social influence is often conceptualized as subjective norms and has been shown to significantly affect intentions to save or participate in pension schemes. Gerrans and Hershey (2012) demonstrate that normative influence is the most important predictor of Australian workers’ intentions to make additional retirement contributions and to change investment strategies, with subjective norm exerting a stronger effect than both attitude and perceived behavioral control (Gerrans & Hershey, 2012). They also show that spouses exert the strongest normative influence, while employers and the government play a comparatively smaller role, suggesting that close personal relationships are central in retirement decision-making (Gerrans & Hershey, 2012).

Lu et al. (2024) investigate residents’ participation in China’s individual pension system and identify

subjective norms (family expectations, social environment, and policy advocacy) as important internal driving factors that significantly increase participation intention, alongside attitude and perceived behavioral control (Lu et al., 2024). These studies highlight that for long-term financial decisions, social influence operates largely through family and close networks, shaping norms around prudent saving and retirement preparation. At the same time, several empirical studies emphasize that social influence is not uniformly strong and can be overshadowed by other determinants in highly voluntary or individualized contexts. Sugandini et al. (2022) applied the UTAUT model to e-learning adoption and find that performance expectancy, effort expectancy, and attitude significantly predict intention, but social influence does not have a significant effect, suggesting that, in self-paced learning environments where users feel autonomous, the opinions of others may be less relevant than personal beliefs about usefulness and ease of use (Sugandini et al., 2022). A unified UTAUT–behavioral-intention model applied in another setting similarly indicates that factors like performance expectancy and facilitating conditions may dominate while social influence plays a smaller role, particularly as technologies become more mainstream and individual experience increases. Systematic UTAUT reviews also note that the effect of social influence is often stronger in early adoption stages, in collectivist cultures, and when adoption is mandated or strongly encouraged by institutions, and weaker when adoption is purely voluntary and users have extensive prior experience (Ayaz & Yanartaş, 2020). Synthesizing these findings, social influence can be seen as a powerful early-stage and context-specific driver of intention that interacts with cultural norms, product type, and diffusion stage. Lai (2017) noted that past research on information systems primarily focused on system quality. However, with rapid development and popularity of information systems, discussion on the electronic medical record should not be centered merely on technological perspectives, since technologies continuously evolve and will reach maturity in the end. In contrast, enhancing the usage of mobile electronic medical records requires everlasting efforts. Moreover, prior researches ignored the

influence of social interaction on behaviors because they contended that individual actions are isolated from one another. In fact, however, social influence plays an important role in determining users' intention to use mobile electronic medical records. This study is therefore based on the conformity of behavior perspective and explores factors that influence the intention to use the electronic medical record system. This study extends the technology acceptance model with contagion model. Results showed that (1) perceived usefulness and social influence affect behavioral intention to use the electronic medical record system, (2) perceived ease of use and social influence positively influence perceived usefulness as proposed in TAM. Overall, this model provides acceptable explanation on the use of the electronic medical record system. Graf-Vlachy, Buhtz, and König (2018) conducted a systematic review of social influence in technology adoption, aggregating empirical IS findings to disentangle compliance-, identification-, and internalization-based mechanisms embedded in constructs like subjective norm and social pressures. Methodologically, the paper synthesizes survey-based, mostly US/China-centric studies using TAM/UTAUT variants to map measurement diversity and boundary conditions. It concludes that multi-theoretical, multi-level designs are needed expanding beyond individual surveys to socially enriched contexts to better capture how referents, networks, and technology characteristics jointly shape behavioral intention in adoption decisions.

Korchak et al. (2025) used a cross-sectional survey of 271 UAE students and modeled intention with UTAUT, highlighting social influence (peer popularity and perceived norms) as a salient determinant. The study employed PLS-SEM to estimate paths and compared undergraduate versus graduate subsamples. Findings show social influence significantly predicts intention to use GenAI, with stronger effects among undergraduates interpreted as reflecting less autonomy and more cohesive peer networks while graduates are less susceptible to peer cues. The authors conclude that voluntary versus non-voluntary academic contexts modulate social influence's strength and call for tailored adoption strategies that recognize cohort differences in peer

dynamics and perceived coercion. Ghenie, Șoncutean, and Sitar-Tăut (2025) surveyed 299 social commerce users and tested a combined framework using PLS-SEM, integrating social commerce constructs (informational/emotional support; hedonic/utilitarian value), trust, and social influence. Methodologically, they validated a structural model with bootstrapping and mediation tests. Results indicate social influence and social commerce supports positively affect trust, which in turn drives usage intention; utilitarian value's direct link to intention was not supported, suggesting relational and normative forces overshadow purely functional appraisals. The authors conclude that in community-rich commerce, peer cues and trust are central conduits through which social environments translate into intention, implying platform designs should amplify credible peer signaling and supportive interactions to strengthen adoption. Adaba, Frimpong, and Mwainyekule (2025) collected survey data from 232 UK social media users and analyzed influencer-driven purchase intention using TPB with PLS-SEM. Their methodology included testing mediation and conversion from intention to behavior. Findings show social media influencers significantly elevate purchase intention, but the intention-to-behavior conversion is weak; unexpectedly, greater trust in influencers is associated with *lower* purchase intention, possibly due to perceived commercialization or reactance. They conclude that influencer-induced social influence can raise intentions, yet psychological moderators (skepticism, authenticity concerns) complicate conversion, urging campaigns to balance persuasive norms with credible, non-over commercialized content. Shahzalal (2024) surveyed 175 Gen Z students in Bangladesh and used PLS-SEM to link social media adoption, awareness, social conformity/influence, and sustainability practice intentions. The methodology included testing a sequential pathway with awareness feeding social influence, then intention. Results show awareness significantly drives social influence, which strengthens sustainability intention; however, awareness does *not* directly produce sustainable action, suggesting an intention-behavior gap. The paper concludes that social influence is a critical

bridge transforming awareness into intention, and interventions should leverage peer engagement and normative messaging to translate digital awareness into planned sustainable behavior. Zhang et al. (2024) surveyed 525 residents in Jiangsu Province, estimated an extended TAM with PLS-SEM, and incorporated perceived risk and social influence. Methodologically, the study assessed direct and mediated paths from social influence to perceived usefulness/ease-of-use, attitude, intention, and behavior. Findings reveal social influence positively shapes perceived usefulness and ease of use, which raise favorable attitudes and consequently intention and adoption behaviors; perceived risk dampens these appraisals. The authors conclude that social influence acts upstream—reframing technology appraisals so programs should deploy normative cues and peer endorsements to ease perceived effort and accentuate utility, thereby strengthening intention and actual uptake. Yang et al. (2021) conducted a cross-sectional PLS-SEM analysis on 501 respondents to test UTAUT predictors of intention and adoption (including social influence, usefulness, ease of use, trust, and compatibility). Methodologically, they examined mediation from intention to adoption and moderation by age/gender. Findings show social influence significantly predicts intention and indirectly adoption via intention; usefulness/ease of use also contribute strongly, with demographic moderation shaping compatibility's effects. The study concludes that normative forces from referents (friends/family/media) are pivotal in nascent cashless ecosystems and should be incorporated into policy nudges and marketing communications. Complementarily, Effendy et al. (2021) used multiple regression on 137 Indonesian students to combine TAM and UTAUT constructs; they found usefulness and ease of use predict intention, and reported mixed evidence for social influence, illustrating that context (student sample, local platforms) can attenuate normative effects. Together, they conclude that while social influence frequently matters, its salience varies with user segments and market maturity.

Chuang et al. (2015) analyzed nationally representative data (N = 1,745) from Taiwan's Social Change Survey using logistic regression to predict

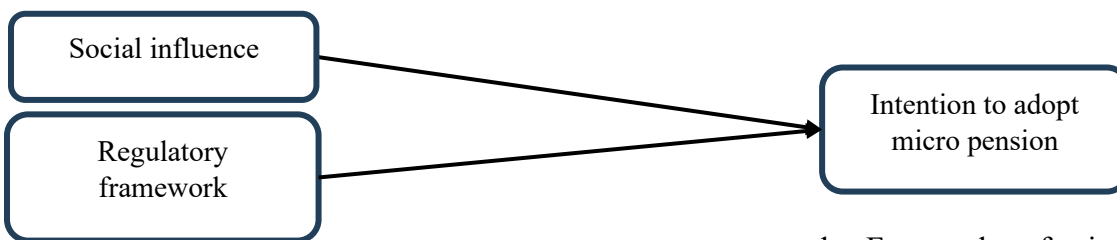
intention to vaccinate, wear masks, and wash hands. Methodologically, they operationalized social capital into bonding (neighbor contact/support), bridging (association membership), and linking (trust in government and capacity). Findings show intentions to receive a vaccine and wash hands are associated with linking and bonding dimensions, whereas mask-wearing intention relates to all three forms of social capital, indicating that trust in institutions and interpersonal networks exert social influence on preventive intentions. They conclude that credible governmental communication and strong local ties enhance compliance with protective behaviors, recommending campaigns that couple institutional trust-building with community-level peer reinforcement. Zhang and Yan (2025) ran two online experiments manipulating injunctive vs. descriptive norms and near vs. distant social distance, measuring personal norms and donation intentions. Methodologically, they tested mediation (personal norms) and moderation (social distance) using experimental contrasts. Findings indicate injunctive norms more effectively increase donation intention overall, mediated by strengthened personal norms; descriptive norms are more effective when the social distance is close, while injunctive norms dominate with distant audiences. They conclude that aligning norm type to psychological distance optimizes persuasive impact, and designing appeals with the right norm framing can enhance prosocial intentions across contexts. Complementing this, Xu et al. (2023) used an ERP paradigm where participants adjusted donations after viewing average peer donations; behaviorally, they increased giving under upward social information, and neurophysiologically showed FRN/P3 patterns consistent with pressure. Xiao et al. (2025) surveyed 425 social media users and employed SEM with bootstrap to test chained mediation from fitness social media use to intrinsic motivation → exercise intention → behavior. Methodologically, validated Likert-scales captured constructs and mediation shares were quantified. Results show social media use increases intrinsic motivation and intention, with significant chained indirect effects explaining about a third of total impact. They conclude that social platforms cultivate internal motivation and planning (intention), translating into behavior. Zhou et al. (2025) surveyed

514 college students and used mediation bootstrapping to test peer relationship → social support/exercise self-efficacy → exercise intention. Findings show peer relationships raise intention mainly via self-efficacy (larger indirect effect) and secondarily via social support. The authors conclude that peer ties operate through efficacy beliefs and supportive networks, suggesting campus interventions should leverage peer mentors and efficacy-building activities to heighten intentions to be physically active.

2.4 2.5 The underpinning theory

The most appropriate single backbone for a model linking social influence and intention to adopt a (micro-) financial product is an extended UTAUT framework that explicitly incorporates. UTAUT is explicitly designed to explain behavioral intention to use a system in terms of four core determinants

2.6 Conceptual framework



3. RESEARCH METHODOLOGY

3.1 Research Design

The present study is a quantitative research and survey research design is employed. Population of this study consist of all members of the unorganized sector in Zaria Metropolis. This study considered the population to be infinite as there is no formal and verifiable statistics to determine the actual number of operators. The study, using Krejcie and Morgan (1977) sample size table at 5% confident interval, arrived at 385 operators as sample size. 50% was added to this sample size to cater for possible un-return questionnaires and incorrectly filled surveys and this brings the total to 578. Instruments from past studies were adapted to measure the constructs of the

performance expectancy, effort expectancy, social influence and facilitating conditions which map almost one-to-one onto your key variables. Performance expectancy captures the degree to which using a product is believed to provide performance and outcome gains; price value captures the net benefit after considering costs. These correspond directly to perceived benefit and are consistently among the strongest predictors of intention in technology, fintech and payment-system studies. Social influence and social influence (UTAUT core construct). UTAUT already includes social influence as a core predictor: the extent to which important others think one should use the product. Empirical work on e-payments, mobile banking, fintech and digital learning shows that this construct significantly increases intention, especially in early adoption and in collectivist contexts.

study. For uptake of micro pension, 6 items were adapted from Kaczmarek et al. (2015)'s behavioral intention scale. To measure social influence, a four-item scale developed by Schwarzer, Schmitz & Daytner, (1999) was adapted. The reported reliability was 0.76 schwarzer et'al (1999), for regulatory framework, 6 items is adapted from Richard (2025) were used. The study utilized the partial least square structural equation modeling through Smart PLS 4 to analyze the data collected from the field. In using PLS_SEM, two basic models are necessary. They include the measurement model to ascertain the reliability and validity of the instruments used in the study and Structural model to test the hypotheses and predictive relevance of the model.

4. RESULTS AND DISCUSSIONS

In this study, a total of 578 questionnaires were distributed and 397 were returned correctly filled. Data collected from the field were subjected to preliminary cleaning such as missing values,

outliers, and normality test. In the course of the cleaning, few values were missing and were replaced using serial mean, no cases of outliers were detected and the response rate stood at 69%. The study subjected the cleaned data to major analysis using PLS-SEM. The responses generated was subjected to preliminary analysis such as missing value, outliers and normality test. Missing values noted were replaced using serial mean. However, In the course of data screening, 6 outliers were noted and deleted from the data set there by bringing the number of usable responses to 391 usable for further analysis.

4.1 Outer (measurement) model

Loadings of items, reliabilities and validity of the instrument were assessed under the outer model. For

Table 4.1: Loadings, construct reliability and convergent validity

Construct	Item	loadings	AVE	CR	CA
Regulatory framework	REG2	0.712	0.611	0.757	0.701
	REG4	0.846			
Social influence	SOC1	0.745	0.635	0.897	0.856
	SOC2	0.783			
	SOC3	0.816			
	SOC4	0.863			
	SOC5	0.772			
Uptake of pension	UPT1	0.827	0.676	0.913	0.881
	UPT2	0.847			
	UPT3	0.835			
	UPT5	0.81			
	UPT6	0.792			

Note: CR=Composite reliability, AVE=Average variance extracted, CA= Cronbach Alpha

From the table 4.1, loadings of items measuring individual construct were greater than .5 which is a minimum recommended value as contained in Hair et'al (2013). However, items that failed this benchmark were deleted. All the constructs in the study met the composite reliability benchmark of 0.7 and average variance extracted of .5 Also, for

convergent validity, average variance extracted (AVE) was employed, discriminant validity, fornel and larker criteria were employed and for the internal consistency, composite reliability was used. The table below disclosed that the construct reliability and validity were satisfied. The measures loaded well above 0.5 which is the minimum bench mark recommended by Hair, Black, Babin, Anderson and Tatham (2013). Those loading below were removed. For example, REG1 and REG3 for regulatory framework, SOC6 for influence and UPT4 for pension uptake loaded negatively and as such were deleted from the analysis.

discriminant validity the study employed the fornel and larker (1981) condition which recommended that the square root of AVE be more than inter construct correlation with other variables in the study. This is as presented in table 4.2 below

Table 4.2: Discriminant validity

Construct	Regulatory framework	Social influence	Uptake of pension
Regulatory framework	0.782		
Social influence	0.462	0.797	
Uptake of pension	0.707	0.43	0.822

Square root of AVE is presented in bolded font on the transverse and it can be observed that the values are greater than the correlations among the constructs, thus this criterion is satisfied.

Table 4.3: Path coefficients

Hyp	Relationship	Beta	Std err	T stat	P values	Decision
H ₁	SOC -> UPT	0.131	0.052	2.540	0.011	Rejected
H ₂	REG -> UPT	0.646	0.041	15.781	0.000	Rejected

Source: SmartPLS 4 output, 2026

From Table 4.3, it can be seen that all the relationships are positive. Social influence has a significant positive effect on uptake of micro pension ($\beta = 0.131$, t-value = 2.540, P-value = 0.011). With this result, the H₁ that state that social influence has no significant effect on uptake of micro pension is rejected. Hypothesis two (H₂) which state that

4.2.1 Test of hypotheses

On this section, the study tested for all the hypotheses and table 4.3 presented the results of the structural model with the beta value of the relationships, t-statistic and p-value.

regulatory framework has no significant effect on uptake of micro pension is also rejected ($\beta = 0.646$, t-value = 15.781, p-value = 0.000). R square, the coefficient of determination stood at 0.513. this means 51.3% variation in the dependent variable was explained by social influence and regulatory framework and 48.7% explained by other variables not captured in this model.

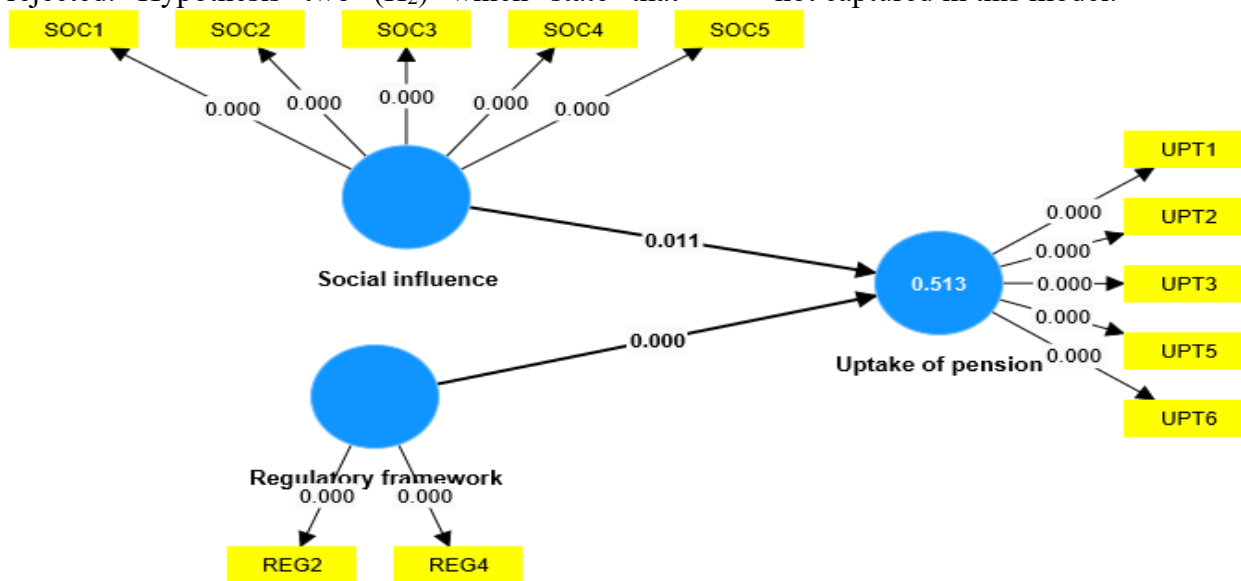


Figure 1: structural model

collected empirically can be reconstructed with the help of model and the PLS parameters.

4.2. Effect size and Predictive relevance

The effect size of the model is presented in the table 4.4. Effect size of the exogenous variable was ascertained. The study assessed the effect size of the exogenous variables (financial literacy and trust) on dependent variable using the F^2 . Cohen (1988) recommended that f^2 values of 0.02, 0.15, and 0.35, to represents small, medium, and large effects respectively. The study also utilized Q^2 to assess the predictive relevance of the exogenous variables on the endogenous variable. Q^2 shows how well the data

Table 4.4: Effect size (f2) and Predictive relevance

Construct	F square
Social influence	0.028
Regulatory framework	0.674
Uptake of micro pension (Q ²)	0.500

Source: SmartPLS 4 output, 2026

From table 4.4, social influence has a small effect with f2 value of 0.028 and regulatory framework had large effect with f2 of 0.674. This means that regulatory framework exalt more influence on the desire of the unorganized sector to participate in the micro pension scheme than financial literacy. For predictive relevance, the study discovered a Q2 value of 0.500 which means the variables are relevant in predicting the uptake of micro pension in the Metropolis.

4.3 Discussion of findings

Table 4.3 presents the results of the structural model analysis examining the relationships between SOC, REG, and UPT. The assessment was based on path coefficients (β), standard errors, t-statistics, and p-values to determine the significance and direction of the hypothesized relationships. The path coefficient for the relationship between social influence and pension uptake is $\beta = 0.131$, indicating a positive but weak effect of social influence on pension uptake. The corresponding t-statistic (2.540) exceeds the minimum threshold of 1.96, and the p-value (0.011) is below the conventional significance level of 0.05. This suggests that the relationship between social influence and uptake of pension is statistically significant. Hypothesis H₁ was rejected, as indicated in the table. This rejection implies that, social has a measurable influence on pension uptake, the effect size is relatively small. The weak beta value suggests that social influence contributes only marginally to explaining variations in pension uptake. The relationship between regulatory framework and pension uptake reveals a strong positive effect, with a path coefficient of $\beta = 0.646$. This indicates that REG has a substantial influence on UPT. The result is further supported by a very high t-statistic (15.781) and a p-value of 0.000, confirming a highly statistically significant relationship. Hypothesis H₂ was also rejected according to the reported decision.

Nonetheless, the large beta coefficient demonstrates that regulatory framework is a dominant predictor of pension uptake in the model. This suggests that changes in regulatory framework are strongly associated with changes in pension uptake, making regulatory framework a crucial explanatory variable. The strength of this relationship implies that pension uptake is highly sensitive to regulatory-related factors, and regulatory framework explains a considerable proportion of variance in pension uptake compared to social influence.

5. Conclusion and Recommendations

Based on the data analysis and discussions, the conclusions of this study are overall, the findings indicate that both social influence and regulatory framework have statistically significant relationships with pension uptake, but their practical and theoretical implications differ. Social influence exhibits only a weak influence, while regulatory framework shows a strong and dominant effect. The findings suggest that while both SOC and REG significantly influence UPT, their practical implications differ markedly. REG emerged as a strong and dominant predictor of UPT, indicating that well-designed and effectively enforced regulatory frameworks are critical for enhancing uptake and sustained use, and should therefore be prioritized in policy formulation and resource allocation. In contrast, SOC exhibited only a weak influence on UPT, implying that, although it plays a supportive role, it is insufficient on its own to drive meaningful outcomes. Consequently, stakeholders are encouraged to emphasize robust regulatory interventions, while redesigning and integrating SOC-related initiatives to complement regulatory efforts. Future research should further explore mediating and contextual factors that may strengthen these relationships and improve theoretical alignment.

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