

IMPACT OF ACCESS AND USE OF FORMAL FINANCIAL SERVICES IN THE DEVELOPMENT OF ENTREPRENEURSHIP IN RURAL ECUADOR

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Abstract: This study aimed to determine the impact of access and use of formal financial services through correspondent banking on the development of entrepreneurship in the rural sector of Ecuador. The qualitative case study methodological strategy was used in this research. Eighteen rural communities on the Coast and Highlands of Ecuador were studied. Through an inductive analysis in Atlas.ti 9, the relationships between the concepts identified in the interviews and the researchers' files were structured, and the results were compared with the theoretical assumptions specified in the literature. In order to determine the impact of correspondent banking in the communities studied, the theoretical assumptions of transaction costs were used as a frame of reference. The presence of the correspondent in the communities has eliminated non-financial transaction costs by reducing the physical distance between the user and the distributor of financial services. The non-payment of non-financial transaction costs positively affected the generation of savings; moreover, the presence of the correspondent allowed the inhabitants to open savings accounts, which are used for personal and business transactions. Many businesses started their activities after incorporating the correspondent due to the concentration of potential clients of local businesses. Also, business growth after the correspondent is generated from time and money savings. The novelty of the study focuses on empirically showing that in rural contexts, the mere fact of providing formal financial services in the community -through the correspondent banking channel- (without having credit) allows the growth of the enterprise through savings transaction costs.

Keywords: Financial access, correspondent banking, transaction costs, entrepreneurship, rural finance

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Introduction

Access to formal financial services is crucial for individuals and communities to improve their economic and social well-being (Lee-Yin, Hen-Toong, and Gek-Siang, 2022). However, in many rural areas, access to these services is limited or non-existent, which poses a significant challenge to economic development and

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poverty reduction (Villarreal, 2017). The latest Findex data reveals that a staggering number of adults, approximately one-third or 1.7 billion, still do not have access to a bank account. This is a major cause for concern as almost half of the unbanked population comprises women, poor households in rural areas, and individuals not in the workforce. The figures indicate a significant gap in financial inclusion that needs to be addressed urgently (World Bank, 2022).

Due to the enormous gap between the supply and demand of financial services to meet the needs of the poor, it is important to analyze the role of the traditional financial system in expanding adequate financial services and their accessibility to rural areas (International Labour Organization, 2022). Recent research has explored various alternative methods to improve financial access in rural areas, including mobile banking, electronic money, and banking correspondents (Simatele and Maciko, 2022; Tok and Heng, 2022; World Bank, 2022).

The literature has identified the importance of efficient financial systems for long-term economic growth, reduced social and economic inequality, and increased economic dynamism. However, while these studies have provided valuable insights into the impacts of access to formal financial services, there is still a significant gap in the literature regarding the effect of financial access on banking correspondents in areas where credit is not offered (Amadasun and Mutezo, 2022). An important theoretical and empirical literature shows the importance of efficient financial systems for long-term economic development (Nguyen T., 2022; Nguyen P., 2022; Manzoor and Amjad, 2022).

An inclusive financial system could be associated with lower social and economic inequality and a more dynamic economy as a whole (Simatele and Maciko, 2022). Poverty researchers receive more profound insights into the behavior of microenterprises in rural and remote areas that allow them to identify better the business and economic implications for poverty reduction as an effect of access to financial services (Lin – Yin et al., 2022; Nguyen P., 2022). Financial institutions and markets arise to alleviate market frictions arising from information asymmetries and transaction costs (Kpodar and Amir, 2022).

The identified gap that gives relevance to this research is that all studies on banking correspondents include access to credit (Assunção, 2013, Pereira et al., 2015; Diniz et al., 2012), while this work analyzes the effect of financial access on banking correspondents in Ecuador, whose characteristic is that they do not grant credit. The literature postulates that financial inclusion affects business development, entrepreneurship, economic development and poverty reduction. This research seeks to contribute to the academic literature with a study that shows the positive relationship between access to and use of formal financial services (excluding microcredit) in entrepreneurship development. Furthermore, the rural sector in which the research was conducted is relevant since few studies have been developed in this context, and Ecuadorian regulation limits banking correspondents to provide formal financial services without including micro-credit (a reality different from

other Latin American countries that have adopted this channel of distribution of banking services).

Literature Review

Financial inclusion has become a significant topic of interest in the academic field, with many studies examining its effects on different aspects of society. One area of focus is the relationship between mobile money (MoMo) and entrepreneurship, particularly in East Africa. Koomson et al. (2022) found that digital savings and access to digital credit play crucial roles in the MoMo–entrepreneurship nexus, with significant heterogeneity based on location, gender, and age. Another study by Wang et al. (2020) looked at the impact of digital inclusive finance on coastal rural residents' entrepreneurship in China and found that it significantly promotes entrepreneurship.

Digital finance has been identified as an essential tool to increase the propensity and quality of entrepreneurship, especially for disadvantaged groups. Liu et al. (2022) found that local digital financial development positively influences entrepreneurial probability and quality in China, especially for migrants living in rural regions with lower educational levels and experienced cross-provincial mobility. Furthermore, Lian et al. (2023) examined the income effects of digital inclusive finance on rural residents in China's main grain-producing regions. They found that digital inclusive finance positively affects rural residents' income regarding entrepreneurship, financial investment, non-agricultural employment, and mechanized production.

Ajide (2020) investigated the impact of financial inclusion on entrepreneurship in selected African countries and found a significant and positive effect. Lastly, Goel et al. (2022) presented a conceptual framework of the Business Correspondent (BC) model's success, which consists of six dimensions: economic, strategic, technological, customer satisfaction, employee satisfaction, and social, with empirical validation across four BC model implementations. All these studies examine the impact of financial inclusion on entrepreneurship, with each study focusing on different means of inclusion.

Financial inclusion can be achieved through physical (Ajide, 2020; Ambarkhane et al., 2022; Gitonga and Kiraka, 2019; Goel et al., 2022; Shafi and Reddy, 2022) or digital means (Koomson et al., 2022; Liu et al., 2022; Lian et al., 2023; Wang et al., 2020). Physical means of financial inclusion involve using traditional banking services such as bank branches, ATMs, and banking correspondents (Ajide, 2020; Ambarkhane et al., 2022). In contrast, digital means of financial inclusion utilize technology-based services such as digital banking (Lian et al., 2023), electronic money (Koomson et al., 2023) and fintech (Lagna and Ravishankar, 2022) that can have an impact on entrepreneurship.

The identified gap that gives relevance to this research is that all studies on banking correspondents include access to credit (Ajide, 2020; Ambarkhane et al., 2022; Assunção, 2013; Diniz et al., 2012; Gitonga and Kiraka, 2019; Goel et al., 2022; Shafi and Reddy, 2022, Pereira et al., 2015), while this work analyzes the effect of

financial access on banking correspondents in Ecuador, whose characteristic is that they do not grant credit. The literature postulates that financial inclusion affects business development, entrepreneurship, economic development and poverty reduction. This research seeks to contribute to the academic literature with a study that shows the positive relationship between access to and use of formal financial services (excluding microcredit) in entrepreneurship development.

On the other hand, financial literacy plays a crucial role in successfully adopting and using financial services, whether through physical or digital means of financial inclusion. However, digital financial inclusion presents a unique challenge for those with low levels of financial literacy (Ambarkhane et al., 2022). Digital financial services require users to have basic technology skills and an understanding of financial concepts such as interest rates, fees, and risk (Lian et al., 2023). In contrast, physical financial inclusion, such as traditional banks and credit unions, may offer more accessible and familiar services to those with low levels of financial literacy (Ajide, 2020). Thus, while digital financial inclusion can increase access to financial services, it is important to consider the potential challenges that low levels of financial literacy may pose for successful adoption and usage.

Research has shown that digital financial services have the potential to enhance financial literacy among users. For example, mobile money platforms often include educational resources, such as SMS-based financial tips, to help users understand and navigate the financial landscape (Lagna and Ravishankar, 2022). In addition, the transparency and convenience of digital financial services can help users track their transactions and understand their financial behavior, leading to improved financial decision-making (Lian et al., 2023). On the other hand, physical means of financial inclusion, such as traditional brick-and-mortar banks, may not always offer the same level of educational resources or transparency (Gitonga and Kiraka, 2019). However, physical means of financial inclusion may be more accessible to those with limited digital literacy or access to technology, highlighting the need for various financial inclusion strategies to meet the diverse needs of users (Ambarkhane et al., 2022). Overall, while digital financial services can enhance financial literacy, it is important to consider the barriers to digital access and literacy that may exist for certain populations and to develop comprehensive strategies for financial inclusion that meet the diverse needs of users.

Considering that verification of rurality is of utmost importance for the relevance of the literature in this research, the studies selected in the analysis process have been conducted in rurality contexts, including Cambodia (Vong et al., 2012; Fang, 2014); Brazil (Assunção, 2013; Diniz et al., 2012; Pereira et al., 2015); Malaysia (Chan and Abdul Ghani, 2011); India (Ambarkhane et al., 2022; Burgess and Pande, 2005; Rajesh Raj et al., 2014); Bangladesh (Afrin et al., 2010; Gitonga and Kiraka, 2019); Indonesia (Nugroho and Chowdhury, 2015); South Africa (Ajide, 2020; Kostov et al., 2015); Mexico (Bruhn and Love, 2009). Furthermore, the rural sector in which the research was conducted is relevant since few studies have been developed in this context, and Ecuadorian regulation limits banking correspondents to provide formal

financial services without including micro-credit (a reality different from other Latin American countries that have adopted this channel of distribution of banking services).

Methodological Framework

The study's central research question was: What are the impacts of access to and use of financial services generated by the correspondent banking channel in developing entrepreneurship in rural Ecuador? The research question was formulated after a thorough review of studies that have addressed the relationship between financial access and economic development. The methodological framework proposed by Fang et al. (2014) is the basis for investigating the reality of access and use of formal financial services, through a different channel of distribution of such services, in this case, correspondent banking, which has certain similarities with mobile banking, but in turn, has differences about the business model, the services offered. Additionally, the context in which the study is conducted is in another geographical latitude, in which the culture and context are different.

The qualitative method used in this research was the case study (Yin, 2013). Rural localities in Ecuador were selected for the primary research development. One of the characteristics of the case study design is the inductive logic, which allows focusing on the particularities of the diversity of the cases, as well as establishing comparisons between them to achieve an emerging general proposal - conceptual model - that allows a certain degree, predicting behaviors without the criterion of quantitative representativeness and generalization (Yin, 2022; Nguyen, 2022).

The case study method was used, in which the units of analysis were rural inhabitants who had experienced a financial inclusion process through the correspondent banking channel and were engaged in some entrepreneurial activity. The case study method was selected because it allows: (a) predicting similar results (literal replication); or (b) predicting contrasting results, but for predictable reasons (theoretical replication) (Avolio, 2012; Machado Chumpitaz and Vela Bravo, 2015; Yin, 2013).

In Ecuador, the National Institute of Statistics and Census is responsible for collecting information on the population and various economic areas of the territory. Likewise, the governmental entities that collect information on companies, income, sales, and banking information are the Superintendency of Companies, Superintendency of Banks, Superintendency of Popular and Solidarity Economy, and the Internal Revenue Service. The following were consulted, and official information on rural enterprises (in remote areas, with characteristics of self-employment) was sought, as well as information on points at the national level, on the existence of banking correspondents in remote and distant areas (of any banking entity to which they belong). However, there are no official records or statistics on this information. Thus, it was impossible to identify a population number as a study universe of enterprises in remote rural areas of Ecuador.

For the development of this study, a semi-structured interview was used to collect primary information. In the qualitative studies selected as a basis for this research (Fang, 2014; Vong et al., 2012), open-ended questions were used, which were relevant to the object of study. Thus, the semi-structured interview of the author Fang (2014) was taken as a basis for structuring the instrument applied in this research. Likewise, through its research groups, the World Bank has developed questionnaires that collect information on financial inclusion, especially on the use of financial products provided by formal entities. For this reason, the *Findex Questionnaire* (questionnaire that measures financial inclusion) developed by the World Bank is also the basis for elaborating the questions in this research (Demirguc-Kunt and Klapper, 2012). With the respective authorizations to use these instruments as a basis, a questionnaire of questions was developed for the present research, taking into account the diverse realities of the contexts where the instruments have been applied, as well as the different distribution channels of financial services used in the interview of the study by Fang (2014). The interviews were developed as a conversation focused on capturing the essence, meaning, or significance of the experiences of people using banking correspondent services within their community. Once the localities were selected, entrepreneurs located in those localities were chosen. The selection of the sample of cases was made considering several qualitative criteria, according to Gray (2014). Initially, the cases were approached according to the criterion of rurality, according to the purpose of the study; therefore, the cases were intentionally selected in rural communities. Once arrived at the study communities, opportunistic sampling was applied, that is, in an emergent manner, in the sense that once fieldwork has begun, new samples may become evident or be offered during the study. Finally, the researchers validated the observed reality and consulted the interviewees about the characteristics to select the next case studies, which is called snowball sampling (Gray, 2014).

After applying the pilot cases, an information collection plan was carried out in the various provinces of Ecuador, both in the Coastal and Highlands regions in rural sectors. As indicated in previous paragraphs, field trips were made to rural localities since there was no official information on the cases for selection. Once each locality was visited, at least one banking correspondent was identified. Based on this confirmation, the researchers validated the observed reality and consulted with various entrepreneurs about the characteristics to select the study cases. Before starting each information gathering through the interview of the selected case, each participant received information about the purpose of the study, the main aspects that were consulted and the informed consent.

A total of 18 interviews were conducted with selected cases in Ecuador's coastal and highland regions in strict compliance with the selected parameters. The collection was carried out between the second semester of 2021 and the first quarter of 2022. However, the collection was halted at various times due to mobilization restrictions due to the COVID-19 global pandemic and the strong winter that Ecuador experienced in the first months of 2022.

For the selection of the case studies, the people chosen had to meet several criteria to guarantee the suitability of their participation in the study. The criteria were as follows: (a) the rural sector or parish to be selected must have at least one correspondent bank; (b) the person must live in the rural population of Ecuador; (c) the person must also have a business; (d) the person must confirm that he or she has undergone a process of financial inclusion through the correspondent banking channel, and (e) the person must confirm that he or she plays a leading role in the commercial activity being developed (e.g., business owner).

According to Avolio (2015), in order to develop a high-quality case study, four conditions related to the study design must be maximized: construct validity, internal validity, external validity, and reliability. To ensure these conditions, the strategies suggested by Yin (2003), Creswell (2003) and Maxwell (1996) have been used. To ensure the validity of the construct, strategies have been used that allow the establishment of adequate measures of the concepts studied (Yin, 2003), such as a) triangulation of information, which has been collected from multiple sources, including observations, interviews and documents; b) key consultants have reviewed draft case study reports; c) a chain of evidence has been maintained in the analysis; d) the investigator's bias has been clearly specified (Creswell, 2003); e) quasi-statistics have been used to support certain inferences by the researchers (Maxwell, 1996); f) two pilot cases have been carried out (Feng, 2005)

The triangulation of the information allows for comparing various types and sources of information to achieve the validity of the results. As Avolio (2015) indicates, the triangulation was carried out by comparing information from the literature after the observations with information from the interviews with the people with different points of view to finally establish coincidences of the empirical referents with the results of the inductive analysis in Atlas TI.

In this study, the triangulation of the information has been achieved mainly through a) the comparison of what was expressed by the entrepreneurs during the interviews with what was directly observed by the researchers during the visits made; b) the verification of the information with written documentation obtained during the interview, such as advertising information, among other documents, when applicable; c) the comparison of the information contained in the field notes format with that of the interviewer's notes and the researchers' report, to ensure the consistency of the answers obtained.

To ensure the reliability of the qualitative approach, methodological triangulation was considered, specifically triangulation within the method, i.e., several data collection techniques were used within the same methodological strategy, and data source triangulation was also applied (Gray, 2014). Specifically, the documentary review was applied to identify the relationship between financial access and the generation of entrepreneurship from published works; the interviews allowed the collection of the participant's point of view and the researchers' records, which included photographs and observer's records. The data collected from the sites were

also triangulated, taking samples from several rural areas distributed between the coastal and highlands regions of Ecuador.

A schematization of the data collected from each interview was carried out, complemented by the researchers' notes, photographs and videos, with information that can be presented descriptively in the case studies. After each case study, the information was collected, recorded and archived (physical and digital media). In addition, all the case study interviews were recorded and later transcribed for use in the research. In order to ensure greater rigor and reliability in the study, a database was developed for each case, and the information collected was processed using the Atlas.ti 9 qualitative analysis tool.

With the information entered into the program, inductive data analysis was carried out in two phases. The first phase contemplated exploring the literature to establish the referential framework of the study based on the publications on the subject. The second phase focused on the analysis of the cases to establish relationships and differences with the state of the art of the subject between each case. Finally, relationships and differences were established with the referent literature. The interviews were coded and then categorized to establish relationships from the inductive process of information analysis.

Research Results

In order to effectively address the central research question, a selection of 18 cases was made, enabling the acquisition of individual information to facilitate subsequent comparisons. The number of cases was determined by the theoretical saturation criterion espoused by Creswell and Creswell (2018) and Gray (2014). This criterion dictates that the foundation of a theory must be interpreted based on the heterogeneity of the data, and the search for additional data must continue until a point of impossibility of discovering new information is reached. Consequently, data collection continued until there was no longer a complete novelty to the meanings of the study.

Eighteen people were interviewed according to the inclusion criteria. The interview began with a description of the participant, including their full names, type of business, name of the business, years of activity and the rural community where they have their entrepreneurship. For confidentiality reasons, the last name was omitted from the data description. The informants of the selected cases were informed about the study, and informed consent was obtained. Once each informant agreed to participate in the study, the respective interview was conducted, using digital media to the recording media. Likewise, a logbook was used to record the participants' data, in which the researchers also recorded notes on additional observations.

The profile of the informants represents a variety of industries, including pharmacies, trade accessories, grocery stores, dining rooms, tailoring, hardware, and bazaars. The length of time the businesses have been operating ranges from 1 year to 15 years. The businesses were located in different rural sectors, including San Carlos, Puerto Inca, Chobo, Sabanilla, Las Cañas, Las Avispas, La Estacada, La Puntilla, Virgin

Valley, Recinto Sargental, Barraganetal, Puerto Pechiche, San Miguel de Perucho, La Matilde, St. Paul of Athens, San Jacinto, and San Simon. Some businesses have unique names, such as Dios Proveerá and Creaciones Yahveh Jired, while others have generic names, like Supertodo and La Salud. Some businesses are similar in type and/or location, such as the two grocery stores in Puerto Inca and the two restaurants.

Five of the 18 cases reported facing physical distance issues, which took them between one hour and 30 minutes and five hours to travel from their place of residence to a better infrastructure location for financial transactions. Six out of 18 interviewees mentioned traveling between 25 and 50 minutes to reach the nearest bank branch or a correspondent bank. The researchers verified the distance and the claims made by the interviewees.

High transaction costs emerged as another issue during the inductive data analysis. Four out of 18 interviewees mentioned incurring expenses between 15 and 20 dollars for various transactions, including payments and withdrawals, while eight out of 18 interviewees spent between three and eight dollars, with a frequency of one to three times a month. The most commonly cited costs were transportation and food. Before the implementation of the correspondent, the interviewees reported high non-financial transaction costs for travel and food: "I spent between 20 and 25 dollars every time I had to go out to make transactions in Playas, and I went out twice a month" (Gina G., rural parish of Isla Puná, Guayaquil canton, Guayas Province). "The approximate value that I spent was one dollar and fifty cents, and what was also spent in the city to eat" (María O. recinto Las Avispas, Milagro canton, Guayas Province). "Each trip, I spent at least \$7.50, and I was gone for at least 5 hours, which prevented me from attending to my business" (Gabriel E., San Miguel de Perucho rural parish, Quito canton, Pichincha Province).

Implementing the banking correspondence in the communities saved time and money. The respondents listed various types of payments and transactions, including payment of electricity bills, the government-issued human development bonus, the recharge of phone minutes and data bundles, payment to suppliers engaged in multilevel businesses, and payment for internet services, all of which were facilitated by the correspondent located in the community at the time of the interview. The reduction in transaction costs enabled ten out of the 18 respondents to save funds in their bank accounts to start, operate, or expand their entrepreneurial ventures. At the same time, more than half of the business owners interviewed reported reinvesting their savings to expand their businesses: "I save time and also some money by not leaving the premises to make the payments that we previously had to make outside in Daule" (Joselyn, Sangertal parish, Pedro Carbo, Guayas).

One of the benefits highlighted by the interviewees that are linked to business expansion is acquiring new customers. The respondents explained that individuals who visit the Correspondent Bank's location often make additional purchases while conducting their banking transactions, increasing overall sales. Additionally, interviewees observed a surge in foot traffic in the community due to the presence

of the banking correspondent, with residents from neighboring communities also coming to conduct their transactions at the correspondent: “Before having the banking correspondent, my clients were very few, I was only known by the community, currently more clients come from other communities to do any type of transaction and they start buying from me” (Andrés, San Jacinto parish, Guaranda canton, Bolívar Province).

Finally, two out of 18 respondents affirmed that the implementation of the correspondent has contributed to their personal development as it has provided an opportunity to learn about personal finance and accounting: “It saves time and money because we do not have to leave the precinct to make payments that we used to have to make outside in Daule. Thanks to the correspondent, I have also had to learn more about accounting to manage accounting of my home and business; since I have the bank near here, I don’t have to save it under my mattress” (Joselyn D., Sartajenal precinct, Pedro Carbo and Lomas de Sargentillo cantons, Guayas Province).

The results of this research make a noteworthy contribution to the literature on the impact of financial accessibility. Specifically, the findings reveal that the growth of businesses and the creation of entrepreneurial opportunities, attributable to the presence of banking correspondents, need not be contingent upon credit availability. Rather, the effects on business development and entrepreneurship are associated with access to formal financial services such as deposits, withdrawals, third-party payments, and the collection of government-issued human development bonuses, among others. Furthermore, the savings generated by reduced transaction costs associated with conducting financial transactions within their communities also contribute to these positive outcomes.

Discussion

It can be inferred from the results that the presence of the correspondent has brought financial inclusion to the communities under study, encouraging business startups and promoting business improvement. The results are consistent with other studies that have reached the same conclusion (Ajide, 2020; Ambarkhane et al., 2022; Gitonga and Kiraka, 2019; Goel et al., 2022; Shafi and Reddy, 2022). It has made it possible to eliminate non-financial transaction costs by reducing the physical distance between the user and the distributor of financial services. In this sense, the results confirm the findings that point out that distance can be an important impediment to the poor’s use of formal savings services (Ambarkhane et al., 2022; Lian et al., 2023; Shafi and Reddy, 2022; Hasan et al., 2022). Furthermore, these findings are consistent with research that indicates that transaction costs impede the direct investment of society’s savings (Ajide, 2020; Ambarkhane et al., 2022; Assunção, 2013; Beck et al., 2009; Fan et al., 2017; Goel et al., 2022; Pereira et al., 2015).

The non-payment of non-financial transaction costs positively affected the generation of savings; moreover, the presence of the correspondent allowed residents

to open savings accounts, which are used for personal and business transactions. Ambarkhane et al. (2022) studied Pradhan Mantri Jan-Dhan Yojana (PMJDY), which is National Mission for Financial Inclusion to ensure access to financial services, namely, a basic savings and deposit accounts, remittance, credit, insurance, pension in an affordable manner through banking correspondent. As a result, in 2021, over 43.6 crore bank accounts were opened under the PMJDY scheme, with a total balance in these accounts standing at over Rs 1.4 lakh crore (approximately USD 18.7 billion) as of March 31, 2021.

These results are also consistent with the study developed by Diniz et al. (2012) in the county of Autazes in the Amazon region of Brazil, with positive effects on the rural population after the incorporation of the banking correspondent in that locality, which are detailed as follows: (a) the substantial reduction in the high costs of transportation to other localities; (b) savings of several days per month (time); (c) socioeconomic development of the population, the money is reinvested in the rural areas: (a) substantial reduction of high transportation costs to other localities; (b) savings of several days per month (time); (c) socioeconomic development of the population, money is reinvested in the locality; (d) reduction in the number of assaults.

Regarding the effect of the correspondent on the enterprise, many businesses started their activities after the incorporation of the correspondent. This is because correspondents increase the concentration of the public, who become potential customers of local businesses. In terms of business growth, previously, business growth was relatively difficult (Ajide, 2020; Ambarkhane et al., 2022; Assunção, 2013; Goel et al., 2022; Pereira et al., 2015; Shafi and Reddy, 2022).

However, the results differ from the literature because the banking correspondent models studied by the referent authors grant credit in their communities, which does not occur in the context of this research. Therefore, the inference made from the results is that banking correspondents have a positive impact on the generation of entrepreneurship and business growth, not necessarily because they grant credit, but because of the access to formal financial services they provide and the savings that their presence represents in the rural communities where they are located.

In terms of financial inclusion, the literature also cites other means of inclusion, such as digital banking (Lian et al., 2023), electronic money (Koomson et al., 2023), fintech (Lagna and Ravishankar, 2022) that can have an impact on entrepreneurship. However, digital finance differs slightly from the topic of this work because, in the case of non-bank correspondents, there is a physical place to carry out transactions, while digital banking requires ICT. In addition, using ICT requires certain knowledge that is not easy in populations with low levels of education, such as those in rural areas. However, it can be argued that despite the differences, digital banking remains part of financial inclusion (Xie, 2020).

In conclusion, financial inclusion promotes entrepreneurship; despite the differences in the inclusion system, the effect remains the same, where correspondents are part of financial inclusion (Nabila, 2020). This is achieved through banking penetration,

availability and accessibility of service/product, and usage of banking systems/technology (Inegbedion, 2022). Nevertheless, it is important to clarify the difference of a correspondent as it is a physical non-bank office where transactions are made, just like a bank. In the case of Ecuador, these correspondents differ by not providing credit, which reaffirms that financial inclusion generates business development, not access to credit, contrary to (Zogning, 2023; Fan, 2017; Assunção, 2013).

An emerging hypothesis from this study is that simple access to formal financial services affects entrepreneurship and business growth. Similarly, it can be hypothesized that access to credit does not necessarily affect entrepreneurship and business growth. Another emerging hypothesis focuses on the fact that banking correspondents or banking agents are more successful in providing financial inclusion than other digital means where populations have low literacy levels and also where the populations are elderly.

Conclusion

The results allowed us to state that many businesses started after the presence of banking correspondence. According to the analysis, this effect is due to two main reasons: the first is that banking correspondents provide the services that used to take time and money to obtain, and the second is due to the influx of potential clients that these correspondents attract.

From the findings of this study, it was possible to conclude that: (a) banking correspondents allow rural communities to access formal financial services, which had a positive effect on the generation of entrepreneurship and business growth; (b) entrepreneurship and business growth are associated with savings due to transaction costs, and no credit as in all the cases studied as a reference; (c) banking correspondents allow businesses to increase their sales due to the influx of the public; (d) it was not possible to prove the effect of financial access on economic development and poverty reduction.

Limitations and recommendations for future research

It was possible to conclude that banking correspondents generate transaction cost savings; however, it was impossible to determine the value added to the savings generated. Therefore, it is recommended that research be conducted to quantify the added value generated by transaction savings derived from transaction cost savings. Considering that this study's generation of entrepreneurship and business growth associated with financial access does not include access to credit, it is recommended that this theoretical relationship be empirically verified. For future research, it is proposed to continue with a study that quantifies the benefit of financial access in entrepreneurship and business development without considering credit.

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WPLYW DOSTĘPU I KORZYSTANIA Z FORMALNYCH USŁUG FINANSOWYCH NA ROZWÓJ PRZEDSIĘBIORCZOŚCI NA OBSZARACH WIEJSKICH EKWADORU

Streszczenie: Niniejsze badanie miało na celu określenie wpływu dostępu i korzystania z formalnych usług finansowych za pośrednictwem bankowości korespondencyjnej na rozwój przedsiębiorczości w sektorze wiejskim Ekwadoru. W badaniach wykorzystano strategię metodologiczną jakościowego studium przypadku. Zbadano osiemnaście społeczności wiejskich na wybrzeżu i w górach Ekwadoru. Poprzez analizę indukcyjną w Atlas.ti 9 uporządkowano relacje między koncepcjami zidentyfikowanymi w wywiadach a aktami badaczy, a wyniki porównano z założeniami teoretycznymi określonymi w literaturze. W celu określenia wpływu bankowości korespondencyjnej w badanych społecznościach jako punkt odniesienia przyjęto teoretyczne założenia dotyczące kosztów transakcyjnych. Obecność korespondenta w społecznościach wyeliminowała pozafinansowe koszty transakcji poprzez zmniejszenie fizycznej odległości między użytkownikiem

a dystrybutorem usług finansowych. Brak zapłaty pozafinansowych kosztów transakcyjnych pozytywnie wpłynął na generowanie oszczędności; ponadto obecność korespondenta umożliwiła mieszkańcom otwieranie kont oszczędnościowych, które służą do transakcji osobistych i biznesowych. Wiele firm rozpoczęło swoją działalność po włączeniu korespondenta ze względu na koncentrację potencjalnych klientów lokalnych firm. Ponadto, rozwój biznesu po włączeniu korespondenta jest generowany z oszczędności czasu i pieniędzy. Nowatorstwo badania koncentruje się na empirycznym wykazaniu, że w kontekstach wiejskich sam fakt świadczenia formalnych usług finansowych w społeczności – za pośrednictwem kanału bankowości korespondencyjnej – (bez posiadania kredytu) pozwala na rozwój przedsiębiorstwa poprzez oszczędności kosztów transakcyjnych.

Słowa kluczowe: Dostęp finansowy, bankowość korespondencka, koszty transakcyjne, przedsiębiorczość, finanse obszarów wiejskich

厄瓜多尔农村创业

摘要：本研究旨在确定通过代理银行获得和使用正规金融服务对厄瓜多尔农村地区创业发展的影响。本研究采用定性案例研究方法策略。对厄瓜多尔海岸和高地的 18 个农村社区进行了研究。通过 Atlas.ti 9 中的归纳分析，构建了访谈中确定的概念与研究文件之间的关系，并将结果与文献中指定的理论假设进行了比较。为了确定代理银行业务对所研究社区的影响，交易成本的理论假设被用作参考框架。通讯员在社区中的存在通过减少用户与金融服务分销商之间的物理距离消除了非金融交易成本。不支付非金融交易成本对储蓄的产生产生积极影响；此外，通讯员的存在使居民得以开设储蓄账户，用于个人和商业交易。由于本地企业的潜在客户集中，许多企业在合并代理人后开始了他们的活动。此外，通讯员之后的业务增长来自时间和金钱的节省。该研究的新颖之处在于通过实证表明，在农村背景下，仅通过代理银行渠道（没有信贷）在社区提供正规金融服务这一事实就可以通过节省交易成本来促进企业的发展。

关键词：金融准入，代理银行，交易成本，创业，农村金融