

**A FEASIBILITY STUDY OF COLLABORATION BETWEEN TRADITIONAL BANKS AND
MOBILE MONEY SERVICE PROVIDERS IN LESOTHO**

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ABSTRACT

Many studies have been conducted on traditional/commercial banks and on mobile money services in different countries, including the Mountain Kingdom of Lesotho. However, there is no study conducted on the collaboration between banks and mobile money services. Therefore, this study determined the feasibility of collaboration between traditional banks and mobile money service providers in Lesotho.

This study was a qualitative research with an exploratory research design which aimed at discovering new insights which could be used to establish the feasibility of collaboration between traditional banks and mobile money service providers. Purposive and snowball sampling techniques were used to sample the target population of the study since they are examples of qualitative studies. Data was collected from banks' management staff and registered subscribers of Econet Telkom Lesotho and Vodacom Lesotho through a one-on-one interview, and thematic analysis was adopted to derive the results of the study.

The findings of the study indicate that it is possible for traditional banks to collaborate with mobile money service providers. Furthermore, there are some benefits that banks would enjoy from the collaboration. Therefore, the study shows that the use of mobile phones can enhance the performance of banks if they collaborate with mobile money service providers. In addition to overarching findings from this research, the findings of this study have confirmed and added to, several elements of good business practice in financial services that have been recognised in previous literature related to the topic investigated.

Keywords: Traditional banks; mobile money; Mobile Money Service Providers, feasibility; collaboration

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