Jurnal Manajemen Indonesia (Vol.24(2), pp.257-269, 2024)
Online ISSN: 2502-3713 | Print ISSN: 1411-7835

This Journal is available in Telkom University Online Journals

Jurnal Manajemen Indonesia

Journal homepage: journals.telkomuniversity.ac.id/ijm

Examining the Drivers of Savings Behavior among Women Entrepreneurs in Nigeria

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Abstract
Savings behavior among women entrepreneurs is a crucial factor in fostering financial independence and business sustainability. Therefore, this study examined the drivers of savings behavior among women entrepreneurs in Oyo State, Nigeria; specifically, the influence of socio-economic variables, availability of financial services, and cultural and societal norms on the saving behavior of women entrepreneurs was investigated. Using a sample size of 240 respondents, data were collected through structured questionnaires and interviews and then analyzed using descriptive statistics and regression analysis. The results showed that socio-economic factors like age, education, income, and years of experience positively reinforce saving behavior, while larger household size negatively affects the ability to save. Besides, access to financial services by proximity to institutions of finance, availability of financial products and interest rates, financial literacy programs, and use of digital financial services are critical drivers of saving behavior. These results further indicated that savings decisions are highly influenced by cultural expectations, family influence, and religious belief, revealing that policy intervention in the financial inclusion of women as entrepreneurs must not just consider the economic factors but also the cultural and social contexts. The study further recommends the implementation of financial literacy programs for women entrepreneurs, the development of accessible financial products by institutions, and community-based initiatives for changing positive cultural narratives concerning women's financial independence.

Keywords— savings; women entrepreneurs; financial services; cultural factor; socio-economic factor

Abstrak
Perilaku menabung di kalangan pengusaha wanita merupakan faktor penting dalam mendorong kemandirian finansial dan keberlanjutan bisnis. Oleh karena itu, penelitian ini mengkaji faktor-faktor yang memengaruhi perilaku menabung di kalangan pengusaha wanita di Provinsi Oyo, Nigeria, dengan fokus khusus pada pengaruh variabel sosial-ekonomi, ketersediaan layanan keuangan, serta norma budaya dan masyarakat terhadap perilaku menabung mereka. Sebanyak 240 responden dilibatkan dalam survei menggunakan kuesioner terstruktur dan wawancara, dengan data yang dianalisis menggunakan statistik deskriptif dan analisis regresi. Hasil penelitian menunjukkan bahwa faktor sosial-ekonomi seperti usia, pendidikan, pendapatan, dan pengalaman wirausaha memiliki pengaruh positif terhadap perilaku menabung, sementara ukuran rumah tangga yang lebih besar berdampak negatif terhadap kemampuan untuk menabung. Selain itu, akses terhadap layanan keuangan—yang dipengaruhi oleh kedekatan dengan lembaga keuangan, ketersediaan produk keuangan, suku bunga, program literasi keuangan, serta penggunaan layanan keuangan digital—muncul sebagai faktor penting dalam membentuk perilaku menabung. Penelitian ini juga mengindikasikan bahwa keputusan menabung sangat dipengaruhi oleh ekspektasi budaya, pengaruh keluarga, dan keyakinan agama, yang menunjukkan bahwa intervensi kebijakan dalam inklusi keuangan untuk pengusaha wanita harus mempertimbangkan tidak hanya faktor ekonomi, tetapi juga konteks budaya dan sosial. Studi ini merekomendasikan pelaksanaan program literasi keuangan untuk pengusaha wanita, pengembangan produk keuangan yang mudah

Article info
Received (20/10/2024)
Revised (25/03/2024)
Accepted (28/08/2024)
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DOI: 10.25124/jmi.v24i1.8224

diakses oleh lembaga keuangan, dan inisiatif berbasis komunitas untuk mengubah narasi budaya yang mendukung kemandirian finansial Wanita

Kata kunci— menabung; pengusaha wanita; layanan keuangan; faktor budaya; faktor sosial-ekonomi

I. INTRODUCTION

Background to the Study

Women entrepreneurs have become vital contributors to economic development, particularly in developing countries like Nigeria, where they play a significant role in boosting family incomes, creating job opportunities, and reducing poverty (Ademola et al., 2022; Ademola, 2016; Iyiola & Azuh, 2014). In Nigeria, the entrepreneurial landscape is highly diverse, with women actively participating in various sectors, including agriculture, manufacturing, and trade (OECD, 2017). Even with an increase in the number of successful women entrepreneurs, many challenges still confront them in most economies, including barriers to finance. As a result, they often run underperforming enterprises compared to those owned by their male counterparts. Among the reasons for this financing gap are lack of collateral, low incomes, complications in filing tax repayment reports, and weak business plans. These factors make formal banks reluctant to extend credit to them.

Due to their inability to secure affordable credit and the rising cost of living, many women entrepreneurs in Sub-Saharan Africa are compelled to set aside part of their income as savings to provide a financial cushion during difficult times. Savings can be defined as the act of setting aside funds for future use or as a reserve fund. According to Ijere (1986), savings is simply the surplus income remaining after all expenditures have been covered. It represents the portion of income that households do not use for immediate consumption but instead save for future needs. As Udry (1994) notes, savings serve as a form of self-help, enabling individuals to put aside resources for times of need or scarcity.

Savings are crucial for both personal financial stability and business growth (Ogheneruemu, 2014). For women entrepreneurs, savings act as a financial buffer during economic downturns, provide capital for business expansion, and facilitate long-term wealth accumulation. Despite these advantages, many women entrepreneurs find it challenging to save due to a range of factors, suggesting that specific drivers influence the saving behavior of women entrepreneurs in Nigeria. These drivers include socio-cultural norms, financial literacy, fluctuating income, access to financial institutions, and government policies on women's economic empowerment. In Nigeria, particularly in rural areas, women often face significant barriers to formal financial inclusion.

Many have limited access to banks, credit facilities, and formal savings products, which, in effect, forces them to depend on informal mechanisms like "ajo" (rotating savings and credit associations). These informal systems, though serving an immediate purpose, are neither secure nor sustainable in the long term (Ademola, 2020). Further, gender disparity in access to financial services worsens the case of financial exclusion, narrowing chances for women to accrue savings that would have driven business growth and raised their financial securities. Also, social norms and cultural expectations often impose added financial burdens on women, including caregiving responsibilities for either their households or extended families.

These responsibilities cut down the disposable income that is to be saved thereof. Therefore, such a multiplicity of socio-economic hurdles makes it vital that the motivating factors for saving behavior are unraveled among women entrepreneurs. Such an understanding is important in the pursuit of Nigeria's key Sustainable Development Goals (SDGs), such as those on gender equality, financial inclusion, and economic growth. Despite past research that has provided evidence that access to finance and capital coupled with financial literacy are crucial factors that spur entrepreneurial success among women (Abdulraheem et al., 2024; Ademola et al., 2022; Adeola & Evans, 2017; Bruhn & Zia, 2013)) research has largely omitted what drives savings behavior among women entrepreneurs in Nigeria. While various studies have explored women's financial inclusion and entrepreneurship (Alarifi et al., 2023; Jenkins & Harvey, 2023; Women's World Banking, 2023; Khan & Qureshi, 2022; Kazeem & Ademola, 2021) there is a critical gap in understanding the specific drivers influencing the savings behavior of women entrepreneurs, many policies and interventions aimed at empowering women entrepreneurs focus primarily on access to credit or skills development, often overlooking the vital role that savings behavior plays in their financial resilience and business sustainability.

This study seeks to fill this gap by examining the unique factors that shape savings behavior among women entrepreneurs in Nigeria. By providing actionable insights, the research aims to inform more effective policies and interventions that not only enhance women's financial inclusion but also foster an environment where women entrepreneurs can build financial safety nets, access capital, and sustain business growth.

1.1 Statement of the Problem

Despite various policies and initiatives introduced by the Nigerian government to improve financial inclusion and economic empowerment of women, a significant gap remains in the ability of women entrepreneurs to fully leverage their savings potential. One major reason for this shortfall is the lack of in-depth understanding of the dynamics of savings behavior specific to women entrepreneurs. This gap in knowledge hinders the efforts of financial institutions and other stakeholders to mobilize savings effectively. Furthermore, existing literature on the factors influencing the saving behavior of women entrepreneurs is limited, making it challenging to formulate policies and interventions that cater to their unique financial needs.

This study seeks to address this gap by investigating the socio-economic, cultural, and institutional drivers that shape women entrepreneurs' savings behavior. Understanding these factors is crucial, as they have important implications for financial decision-making and empowerment. By examining these influences, this research aims to provide valuable insights that can inform better policies and practices to enhance savings mobilization among women entrepreneurs.

1.2 Objectives of the Study

The general objective of the study is to determine the drivers of savings behavior among women entrepreneurs in Oyo State, Nigeria. The specific objectives are to:

1. Examine the socio-economic factors influencing the savings behavior of women entrepreneurs in Nigeria.
2. Assess the impact of financial access and services of financial institutions on the savings behavior of women entrepreneurs.
3. Determine how cultural and societal norms affect the savings decisions of women entrepreneurs

1.3 Hypotheses of the Study

The following hypotheses are formulated in null form for the study

1. Socio-economic factors have no significant effect on the savings behavior of women entrepreneurs in Nigeria.
2. Access to financial institutions has no significant effect on the savings behavior of women entrepreneurs in Nigeria
3. Cultural and societal norms do not affect the savings decisions of women entrepreneurs in Nigeria

II. LITERATURE REVIEW

2.1 Concept of Savings in Nigeria

Savings refers to the portion of income that is not consumed and is set aside for future use. It is typically stored in a bank or other financial institution or invested in assets like stocks or bonds. The basic idea of savings is to preserve financial resources for unforeseen expenses, investments, or future consumption. According to Keynesian economics, savings are the counterpart of consumption, and the decision to save is influenced by factors such as income, interest rates, and consumer confidence (Keynes, 1936). In modern economic theory, savings are viewed as critical for both personal financial stability and macroeconomic growth, as they provide capital for investments that drive economic development (Mankiw, 2020). Savings play a crucial role at both individual and national levels. On a personal level, savings provide financial security, helping individuals manage unexpected expenses like medical emergencies or job loss. Having a robust savings account reduces dependence on credit and debt, contributing to long-term financial stability. From a broader economic perspective, savings fuel investments, which are vital for economic growth and development (Blanchard, 2021). High savings rates in a country enable financial institutions to lend to businesses, thereby fostering entrepreneurship and infrastructure development. Additionally, savings provide a cushion during economic downturns, allowing individuals and businesses to maintain consumption and operations (World Bank, 2023).

Purpose and Motives of Savings

Individuals and families save for various motives. In 1936, some basic motives were suggested by Keynes. They are:

- Precautionary Motive: The purpose of savings is to meet unforeseen risks like emergencies, accidents, or sudden loss of earnings.
- Life Cycle Motive: Saving is done to meet future consumption requirements when the individual attains old age or when income levels fall during a specific period of life (Modigliani & Brumberg, 1954).
- Speculative Motive: It is saving to invest in better opportunities that would yield higher returns in the future.
- Bequest Motive: the motive of saving in order to leave some financial legacy to one's descendants (De Nardi, 2004).

Recent studies also identify social and cultural factors as motivations toward savings in developing economies. For instance, in many African countries, saving is deeply influenced by norms set within the community, expectations held by the family, and religious beliefs, which in turn affect individual attitudes toward planning one's finances for the future (Dupas & Robinson, 2013; Demirgüç-Kunt et al., 2018).

2.2 Theoretical Review

Permanent Income Hypothesis

Friedman (1957) attempted to explain the proportionate and non-proportionate relationship between consumption and disposable income through his permanent income hypothesis. According to him, he attributed the causes behind the proportionate relationship of consumption to disposable income to changes in wealth rather than measured income. He divided actual income and consumption into permanent and temporary components. According to him, if such change affects consumption, then the effect of a change is permanent or temporal. His theory described how agents spread consumption over their lifetimes. The hypothesis is that a person's consumption at a point in time is determined not only by his current income but also by his expected income in future years, i.e., his "permanent income". An individual's lifetime income is the crucial determinant of consumption in the permanent income hypothesis model and not his current income. A consumer's permanent income is determined by his assets, physical (shares, bonds, property) and human (education and experience); it is these that influence the consumer's earning ability. Permanent income theory is indeed concentrated mainly on the long-run dynamics and relations, while Keynes focused his attention on short-run considerations.

Life Cycle Income Hypothesis

The life-cycle hypothesis was formulated by Modigliani in 1970 and is the principal theoretical underpinning that has guided the study of savings behavior over the years. Modigliani (1970) came up with theories on life–cycle saving, which agreed with Friedman's line of argument. They came up with the postulate known as the Life-Cycle Income Hypothesis - LIH, in which an individual maximizes the present value of labor income over the remaining working life. Thus, the determinants of savings are current income, expected labor income, and non-wealth. Life-cycle hypothesis: The life cycle hypothesis postulates that individuals plan their consumption as well as saving behavior during their life cycle. People are rational and wish to smooth out their consumptions as much as possible during their overall lifetime by accumulating when they earn and saving when they are retired. Each individual is assumed to prefer maintaining a steady lifestyle. Therefore, countries with higher growth rates per capita are bound to have higher saving ratios as well compared with countries with lower growth rates.

2.3 Empirical Review

Jimena et al. (2022) conducted a systematic literature review on saving behavior based on analyzing 124 articles published by Elsevier between 2012 and 2021. The studies covered 185 countries in ten regions using 18 methods of analysis. Through the meta-synthesis, 15 factors were identified to influence saving decisions, which were again further classified into internal and external factors with 10 and 5 factors, respectively. Other contributors include personal wealth, individual needs, macroeconomic conditions, demographic factors, financial literacy, and psychological or social aspects. This, therefore, contributes to a comprehensive understanding of the various influences on the saving behavior of individuals over the last ten years.

Alshebami & Seraj (2021) assessed the impact that financial literacy has had on entrepreneurial intention for potential entrepreneurs in Saudi Arabia, using saving behavior as a mediator. In this regard, a total sample of 270 potential entrepreneurs at Abqaiq Applied College was investigated, using the method of PLS-SEM to analyze the data. The results showed there was no direct influence of financial literacy on entrepreneurial intentions. However, the study identified saving behavior as a mediator in the relationship between financial literacy and entrepreneurial intention.

Zewdie & Shamebo (2021) analyzed the descriptive data and statistics of 500 respondents in 6 Woredas using the Tobit model in order to investigate determinant variables of saving behavior and saving decisions of MSE women entrepreneurs in Addis Ababa. Findings identified the number of workers, annual income, enterprise type, availability of credit, market, and age of the business as significant factors influencing saving behavior. Alshebami and Seraj (2021) examined the antecedent of the saving behavior of students at the community college of Abqaiq in Saudi Arabia. In the study, the influence of financial literacy, parents' influence, peer influence, and self-control on saving behavior was assessed, as well as the impact of saving behavior on entrepreneurial intention. The results indicated that financial literacy, parents' effect, and peer influence positively affected saving behavior, while self-control negatively affected saving behavior. Additionally, saving behavior proved to have a significant influence on students' entrepreneurial intentions to start small enterprises.

The study by Myo (2018) analyzed the factors that influence the saving behaviors of small shop owners in Kyin Myin Daing Township. The primary data collected from 150 randomly selected respondents indicated that psychological factors, particularly emotionality on wealth and awareness of expectations for success, have the most significant influence on saving behaviors. Financial knowledge is highlighted as a crucial factor, while institutional factors, including income sources and tax on consumption, show weaker correlations with the saving behaviors of small shop owners in the specified township.

Ismail et al. (2018), in their study, examined the determinants of saving behavior, namely service quality, religious belief, and knowledge. The study utilized a purposive sampling method with 150 respondents and used SPSS for scale reliability and descriptive and regression analyses. It was found from the result that service quality, religious beliefs, and knowledge played some role in influencing saving behavior. Nwodo et al. (2017) explored the savings behavior of small-scale business operators in Enugu, Nigeria, amidst economic challenges. The study carried out across 200 respondents, noted that access to membership in microfinance groups improved the saving rate. In addition, the majority of the owners saved for household products but not for business investment.

Leto (2016) focused his study on the determinants of savings behavior among the working women household heads in the Gamo Gofa Zone. The sample used is 216 respondents, and the data used were cross-sectional. Tobin regression analysis was used for analysis. Key findings showed that income, residence in urban areas, age, availability of financial institutions, level of education attainment, household size, marital status, and whether expenditures are planned or unplanned significantly affected savings behavior. Bealu (2016), on the other hand, identified and examined various determinants of the saving behavior of rural households in Southern Ethiopia. He employed a Multiple Regression Model in which results showed that the age of the head of household, education, training, membership to cooperatives, farm and off-farm income, farm size, and livestock were significantly influencing rural households' savings positively. While expenditure, family size, and distance to savings associations were significant variables influencing the saving behavior of rural households negatively in the study area.

Obayelu, 2013 investigated the saving rate and its determinants in rural Kwara state of Nigeria. A total of 120 households' data were collected through a multi-stage sampling procedure. Using the Tobit regression model, the results showed that age, farming experience, and diversification of non-farming activities positively affect rural saving rates.

III. RESEARCH METHODOLOGY

Oyo State is a state in southwestern Nigeria. Its capital is Ibadan. It is bordered to the north by Kwara State for 337 km, to the southeast by Osun State for 187 km, partly across the River Osun, and to the south by Ogun State, and to the west by the Republic of Benin for 98 km. With a projected population of 7,976,100 in 2022, Oyo State is the sixth most populous in the Nigeria (Britannica, 2023). Oyo State is one of the prolific small-scale entrepreneurial states in South Western Nigeria with the availability of physical and financial infrastructures as well as economic resources; therefore, many indigenes are involved in micro-entrepreneurial activities (Jegede, 2012)

The first stage involved the purposive sampling of six (6) Local Government Areas from the thirty-three Local Government Areas in the state. The six selected Local government areas included were Ibadan North East, Ido, Egbeda, Atiba, Ogbomoso North, and Oyo East due to the high presence of women entrepreneurs. The second stage involved random selection of 10 women entrepreneurs involved in trading, tailoring, food catering, and hairdressing within each local government area, thus making a sample size of 240 respondents used for the study. Data were obtained from primary sources through well-structured questionnaires and interview schedules. Meanwhile, analysis was done by using descriptive statistics and regression analysis

Model Specification

$Y = a_0 + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + b_6x_6 + u_i$ (1)
Where: Y= Savings behavior of women measured by the total amount saved over a period

x_1 = Age, x_2= Marital status, x_3 = Educational qualification., x_4= Income level, x_5= Household size, x_6= Years of experience, a_0 =Base constant, u_i =Stochastic error term.

$Y = a_0 + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + u_i$ (2)
Where: Y= Savings behavior of women measured by the total amount saved over a period

x_1 = Interest rate on savings, x_2= Proximity to financial institution, x_3 = Availability of financial product., x_4= Use of digital financial services, x_5= Access to financial literacy programs, a_0 =Base constant, u_i =Stochastic error term.

$Y = a_0 + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + u_i$ (3)
Where: Y= Savings behavior of women measured by the total amount saved over a period

x_1 = Societal pressure, x_2= Cultural expectation, x_3 = Religious beliefs., x_4= Family influence, x_5= Community savings tradition, a_0 =Base constant, u_i =Stochastic error term.

IV. RESULTS AND DISCUSSION

The distribution of women entrepreneurs by age, marital status, level of education, and years of experience is presented below in Table 1. Results indicated that 187 (77.91%) respondents fall between the ages of 20 to 50 years. This indicates the dominance of middle-aged entrepreneurs among the respondents. These are age groups that are known to be energetic, innovative, and strong enough to boost their entrepreneurial activities and increase their earnings, ultimately boosting their savings (Mahmood & Hanafi, 2013). Generally, this age group is in a good position to balance business demands with planning for long-term financial stability (Adeola & Evans 2017).

This was later asserted by the fact that 20% were single, over half of them, that is, 52.5% were married, while 14.58% were divorced. This perhaps tends to imply that women entrepreneurs, irrespective of their marital status, may have a preference to save so that they could provide financial security for themselves and their families. For example, Love (2010) asserted that married women always experience increased family responsibilities and thus may struggle hard to put aside some money. Besides this, unmarried and divorced women can also save for their financial independence and security in case they are the breadwinners of their respective houses (Klapper & Parker, 2011).

On the level of education, 14.16% of the respondents were without any educational experience; over 80% of them had one form of education or another. Level of education is a very important factor argued to influence enterprise performance; educated entrepreneurs would normally face little difficulty in problem-solving activities of a complex business nature and also in decision-making processes (Bhat et al., 2024). This, in turn, affects the propensity to save of these individuals and their savings potential positively, as higher levels of education have been associated with increased financial literacy and a better understanding of saving opportunities (Bruhn & Zia, 2013).

The results on years of experience will indicate that 24.17% of the respondents had below 10 years of experience, while 58.33% had between 11 and 30 years of experience. It, therefore, means that those women entrepreneurs with increased years of experience are likely to have increased stability of income, hence being in a position to apportion more resources to savings. Besides, longer work experiences are related to enhanced financial literacy and wider exposure to savings alternatives; hence, an experienced entrepreneur can take more care to save for future financial security (Abdulraheem et al., 2024).

Table 1: Socio-economic characteristics of women entrepreneurs

Age	**Freq**	**%**
Below 20 years	15	6.25
20 – 30	35	14.58
31 – 40	80	33.33
41 -50	72	30
51 and above	38	15.83
Total	240	100

Marital status		**Freq**	**%**
Married	126		52.5
Single	48	20	
Divorced	35	14.	58
Widowed	31	12.	92
Total		240	100

Years of Experience	**Freq**	**%**
Less than 10 years	58	24.17
11 – 20	72	30
21 -30	68	28.33
Above 30 years	42	17.5
Total	240	100

Education		**Freq**	**%**
Tertiary education	55	22	92
Secondary education	78	32	5
Primary education	73	30	42
No formal education	34	14	16
Total		240	100

Source: Author's Computation, 2024.

The regression result depicted in Table 2 highlights the socio-economic factors affecting the savings behavior of the women entrepreneurs. The R-Square of 0.792 proves that the 79.2% variation in the savings behavior of the women entrepreneurs is explained by the socio-economic factors included in the model. F-statistic, which is 187.312, shows that the model is statistically significant. A Durbin Watson statistic of 2.001 suggests no autocorrelation of residuals, and hence, the assumptions of this model could not be violated (Field, 2018).

Age is positively related to saving behavior at $p < 0.01$ with high significance. A Beta coefficient of 0.438 infers that savings behavior increases as age increases. This provides further evidence for previous works, which found that the older the women entrepreneurs, the more savings they have because income is more stable, and there is more experience and awareness of needing future financial security. This assertion is further affirmed by Lidi et al. (2017), who observed that with increased age, women entrepreneurs within the middle and older age brackets have increasingly begun to focus on securing their financial futures.

With a Beta coefficient of 0.137, a t-statistic of 1.906, and a statistically significant p-value of 0.007 ($p < 0.01$), marital status positively influences the savings behavior of women entrepreneurs significantly. This indicates that the marital status transition from single to married, divorced, or widowed affects the way women allocate and handle their savings. Married women generally tend to have higher financial responsibilities for their families, such as household expenses, children's education fees, and healthcare expenditures, which encourages them to save more for security (Grinstein-Weiss et al., 2010). Furthermore, it is expected that married women will have to engage in more long-term financial planning because of greater economic pressures related to managing family and business finances. Love (2010) noted that marital status often influences the level of financial planning and security which women seek.

The educational level has a significant positive influence on saving behavior. From the coefficient, which is 0.164, one infers that higher education translates into better savings habits. This is supported by Midamba et al. (2024), who affirmed that educated women entrepreneurs are more financially literate, well-positioned in their quest to access financial facilities, and more engaged in long-term financial planning. Education also influences women entrepreneurs with the competencies to make wise financial decisions, hence positively affecting their savings ability processes (Bhat et al., 2024).

Income has been the highest positive determinant of savings behavior, as confirmed by the highest Beta coefficient of 0.582 and a very significant p-value ($p < 0.01$), hence suggesting that increased income has an assurance of translating into increased savings. This finding encourages the suggestion that higher earnings give women entrepreneurs more disposable income that they can save in larger portions of their income (Adeola & Evans, 2017; Midamba et al., 2024)). Income stability further plays an important role in helping to motivate long-term financial planning and build-up in savings (Olowoyeye et al., 2018).

Family size, on the other hand, has a negative and significant impact on saving behavior ($p < 0.05$). The negative Beta coefficient -0.056 prescribes the decline in the propensity of households to save with the increase in household size. Probably, this may be because a larger household size infers a greater financial burden towards supporting the family members, hence leaving less disposable income, which could be saved for the future. According to Bhat et al. (2024), a larger household has more expenses on food, education, and health, thereby reducing the ability of the household to save.

In addition, years of experience significantly influence savings behavior at $p < 0.01$. The coefficient is 0.275, which gives credence to the fact that the more years of entrepreneurial experience, the better placed the woman entrepreneur is to save. This outcome has supported earlier findings, which indicated that experienced entrepreneurs are more financially literate, sustain business risks better, and are more likely to be involved in long-term financial planning (Obayelu, 2018). The experience improves income stability, hence affecting savings potential positively (Midamba et al., 2024).

Influence of Socioeconomic factors on savings behavior of women entrepreneurs

Table 2.Summary of Regression Results

Model	***Coeff. (Beta)***	***Std. error***	***t-statistic***	***Prob***
Constant	.401	.198	2.022	0.044
Age	.438	.065	6.699	0.000
Marital Status	.137	.072	1.906	0.007
Education	.164	.043	.387	0.040
Income	.582	.049	11.839	0.000
Household size	-.056	.045	-1.237	0.021
Years of Experience	.275	.062	4.437	0.001
R-Square		*0.792*	*F-stat*	*187.312*
Adjusted R^2		*0.624*	*Durbin Watson*	*2.001*

Source: Authors computation, 2024

R-Square of 0.648 explains that 64.8 % of the variation in the savings behavior of women entrepreneurs is explained by the cultural and societal variables in the model. The high F-statistic of 163.146 depicted that the model is statistically significant. Durbin Watson's statistic was 1.734 and close to 2, showing no considerable autocorrelation within the residuals, hence validating the assumptions for the model (Field, 2018).

The impact of societal pressure on saving behavior is positive but moderate. Though the p-value was significant at $p < 0.05$, the beta coefficient was relatively low at 0.067, thus meaning that societal expectations, like the need to comply with social norms or motives related to status-saving, can have limited effects. Female entrepreneurs may practice saving motivated by the desire to maintain social status or satisfy the community, but social pressure does not seem to be a driving force in their decisions to save (Klapper & Parker, 2011)

Cultural expectations have a strong and significant positive influence on the propensity to save ($p < 0.01$). The relatively higher Beta coefficient value of 0.438 suggests that cultural expectations, which are related to gender roles, expected future financial burdens, and customs on savings performance, significantly influence the savings behavior of women entrepreneurs. In many cultures, for instance, women are often expected to manage households or ensure the financial security of the family and thus are driven to save (Dupas & Robinson, 2013). Cultural standards can likewise motivate women to allocate savings towards long-term objectives, including their children's education or the security of the family (Demirgüç-Kunt et al., 2018).

Religious beliefs also significantly influence savings behavior, as indicated by a Beta coefficient of 0.342 ($p < 0.01$). Many religions encourage thriftiness, asking their followers to save, avoid wastefulness, and plan for their future needs. For instance, Islamic teachings support saving for responsible stewardship, while several Christian denominations emphasize financial planning and giving to charity, both of which can motivate an individual to save ((Wilson, 2021)). As a result, the savings practices of women entrepreneurs might be guided by religious principles that informed not only the size of savings but also the purposes for which the savings were accumulated.

Family influence on savings behavior is significantly positive, as seen in the high Beta coefficient of 0.408 ($p < 0.01$). The systems, beliefs, and expectations of family members are critical determinants of prevailing financial decision-making habits. In the majority of homesteads, the female gender takes center stage in managing home and business-related finances due to the influence or pressure arising from the family network (Karlan et al., 2017). Family influence may also extend to multigenerational wealth planning or saving for family-related events, such as weddings or emergencies (Bruhn & Zia, 2013).

The traditions of community savings have a positive but lower significant effect on saving behavior, represented by the Beta coefficient value of 0.163. This suggests that regional traditions, including participation in cooperative saving groups or rotational lending schemes, influence female saving behavior ($p < 0.01$). In many rural settings, the practices of group savings provide social and financial incentives that encourage women to save regularly in order to contribute to the group's needs (Dupas & Robinson, 2013). Such traditions have the potential to cultivate a sense of responsibility, encouraging women to allocate savings in order to achieve both individual and communal financial objectives

Effect of cultural factors and societal norms on savings behavior of women entrepreneurs

Table 3: Summary of Regression Results

Model	*Coeff. (Beta)*	*Std. error*	*T statistic*	*Prob.*
Constant	.677	.142	4.755	0.000
Societal pressure	.067	.058	1.163	0.045
Cultural expectation	.438	.060	7.318	0.002
Religious belief	.342	.054	6.311	0.004
Family influence	.408	.044	9.202	0.001
Community savings tradition	.163	.053	3.062	0.002
R-Square 0.648	*F-stat*		*163.146*	
Adjusted R^2 0.644	*Durbin Watson*		*1.734*	

Source: Authors computation, 2024

The summary of the regression analysis of the effect that access to finance and related services has on the saving behavior of women entrepreneurs is shown in the table below. The R-Square of 0.726 infers that 72.6% of the variation in women's saving behavior is explained by the variables used in this model. Also, the F-statistic value of 235.674 confirms that the model is statistically significant; that is, taken as a collective, the variables explain a significant degree of the variance replicated in the behavior of savings. The Durbin-Watson statistic of 2.072, which is close to 2, indicates that there is no significant autocorrelation in the residuals, suggesting that the model's assumptions hold (Field, 2018).

Having access to financial products positively influenced women's saving behavior at the level of $p < 0.01$. Indeed, having diversified financial services available for these entrepreneurs increases their saving behaviors, as shown by a Beta coefficient of 0.279. According to Lidi et al. (2017), the availability of relevant financial services enables women to increase their savings propensity by providing applicable options that would rather suit their unique demands. This would mean that micro-savings accounts allow women micro and small business entrepreneurs to save small and frequent amounts, which is also quite critical to them, as noted by Klapper et al. (2015).

Interest rates have a relatively significant and statistically significant influence on savings behavior, with a p-value less than 0.01 and the highest Beta coefficient of 0.582. This means that when the interest rate for savings products is attractive, women entrepreneurs have a higher tendency to save. On the other hand, increased interest rates provide an incentive for recipients to deposit more of their proceeds in savings accounts to have a better yield. Conversely, a decrease in interest rates may negatively affect their saving habits because they may invest or consume her money through other avenues. Accordingly, positive and favorable rates of interest can lead to better savings and increased financial security for women entrepreneurs (Masson et al., 1998).

Proximity to financial institutions does have a relatively moderate but significant influence at $p < 0.05$ on savings behavior. A Beta coefficient of 0.056 infers that female entrepreneurs who are living or operating businesses closer to financial institutions are likely to be involved in savings activities. Indeed, Ikue et al. (2022) acknowledge that geographical proximity reduces costs of transactions, hence making access to financial services easier and convenient for women. With banks or microfinance institutions present in the communities, frequent interaction with them encourages a savings culture afterward. Where there is no financial institution, for example, in rural areas, women may look at informal savings, such as rotating savings groups.

Access to financial literacy initiatives has a notable impact on savings behavior, indicated by a Beta coefficient of 0.069 ($p < 0.01$). Financial literacy empowers women with the ability to understand the importance of saving, budgeting, and financial planning, ultimately making better choices regarding savings. This was supported by Klapper et al. (2015), who explained that programs aimed at teaching women to manage finances, track income, and explore savings options enhance their ability to save and work toward financial independence. Lusardi (2008) found that female entrepreneurs who received financial literacy training have a higher tendency to formally save and make better financial decisions related to their businesses.

Also, the use of digital financial services, such as mobile banking and electronic wallets, has a significantly positive impact on saving behavior; in this regard, the p-value < 0.05 and the Beta coefficient is 0.091. Digital financial services ease affordable access to savings and other financial services for women entrepreneurs. The mobile money platforms contribute to increased financial inclusion; hence, women are able to save without necessarily going to banks. This is quite important, especially for those living in rural or under-served parts of the country, according to Suri & Jack (2016). Digital instruments also offer increased security for savings, thus reducing the risks associated with carrying cash (Murendo and Mutsonziwa, 2016)

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Table 4: Summary of Regression Results

Model	*Coeff. (Beta)*	*Std. error*	*T statistic*	*Prob*
Constant	.128	.117	1.089	.277
Availability of financial products	.279	.052	5.355	.000
Interest rates	.582	.049	11.839	.001
Proximity to financial institutions	.056	.045	1.237	.034
Access to financial literacy programs	.069	.042	1.620	.006
Use of digital financial services	.091	.040	2.304	.022
R-square 0.726	*F-stat*		*235.674*	
Adjusted R^2 0.723	*Durbin Watson*		*2.072*	

Source: Authors computation, 2024

V. CONCLUSION AND RECOMMENDATION

Conclusion

This study has examined the influence of socio-economic variables, availability of financial services, and cultural and societal norms on the saving behavior of women entrepreneurs in Oyo State, Nigeria. Data from 240 respondents are analyzed using a structured questionnaire and interview method. The result of the analysis indicates that the socio-economic factors, including age, education, income, and years of experience, are positively related to good saving practices, while larger household size negatively affects saving ability. Interest rates, availability of financial products, proximity to financial institutions, financial literacy initiatives, and finally, digital financial services all combine to influence saving behavior. These results further indicate that savings decisions are highly influenced by cultural expectations, family influence, and religious belief, indicating that financial interventions need to take such cultural contexts into consideration. In summary, the research highlights the necessity for policy initiatives that focus on improving financial access and literacy, involving local communities, and advocating for supportive legal frameworks to empower women entrepreneurs and enhance their saving habits.

Recommendation

Drawing from the results of the study, three substantial recommendations can be proposed to improve the savings behaviors of women entrepreneurs in Nigeria.

First, specialized financial literacy programs should be designed and implemented to target women entrepreneurs. These programs should include practical training in effective financial management, saving strategies, and investment options that will enable women to make informed financial decisions and develop positive saving behavior.

Besides, financial institutions should focus on creating accessible and affordable financial products in order to respond to the specific needs of women entrepreneurs. This means the creation of low-interest savings accounts, microloans, and flexible repayment plans, among other outreach programs geared toward awareness about such products.

Ultimately, a conducive cultural environment that fosters women's financial independence should be created with the involvement of local communities and stakeholders. Other programs, like community workshops, mentorship opportunities, and peer support networks, help to confront prevailing societal norms and develop a culture that values and supports their economic participation for better savings practices and financial empowerment.

Contribution to knowledge

This study contributes to the literature in respect of women entrepreneurs because most factors that influence their savings behavior are put to light. Particular to this, it provides an in-depth analysis that encompasses socio-economic, cultural, and financial perspectives, hence giving an all-rounded insight into the challenges and opportunities faced by women who are into entrepreneurship. Moreover, this research forms the basis for further studies by identifying the gaps in existing literature about women entrepreneurs, hence making it easier to have more specific questions that address their unique financial habits and challenges. This paper, therefore, serves as a call to action for policymakers, financial institutions, and researchers to make the financial empowerment of women entrepreneurs a priority, with the ultimate goal of further supporting broader economic development and gender equality initiatives.

Suggestion for Further Studies

Further studies on the saving behavior of women entrepreneurs in Nigeria could focus on a number of important dimensions. First, a comparative study of women entrepreneurs from different states or regions in Nigeria could provide rich information on how various socio-economic environments, cultural backgrounds, and levels of access to finance influence saving behavior. Moreover, longitudinal studies of changes in saving behavior over long periods would help identify patterns and evaluate the long-term impacts of financial literacy programs and the availability of digital financial services.

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