

## **ABSTRACT**

### **Research Title: Mobile Money Systems (M-Pesa) as an Innovation in Information Technology**

Mobile Money Systems such as M-Pesa have revolutionized the financial landscape, particularly in developing countries where access to traditional banking is limited. This paper explores M-Pesa as a pioneering innovation in the IT field, tracing its evolution from a simple money transfer service in Kenya to a globally recognized model for mobile financial solutions. The study aims to analyze M-Pesa's technological underpinnings, its transformative impact on financial inclusion, and its contribution to digital economies.

A qualitative case study approach is employed, drawing on secondary data from industry reports, academic literature, and real-world deployment outcomes. The analysis reveals that M-Pesa's integration of secure SMS-based transactions, user-friendly interfaces, and agent networks enabled rapid adoption among the unbanked population. Key findings highlight significant improvements in socio-economic conditions, increased financial literacy, and the stimulation of micro-entrepreneurship. Technological innovations such as interoperability, mobile wallets, and robust authentication protocols are identified as core drivers of M-Pesa's success.

The implications of M-Pesa extend beyond financial services, offering insights into scalable IT solutions for digital inclusion and development. Challenges such as regulatory barriers, cybersecurity risks, and market competition are discussed, alongside the lessons learned in adapting technology to local contexts. In conclusion, M-Pesa exemplifies the potential of IT-driven innovation to address systemic challenges in emerging markets, paving the way for future research and implementation of mobile money systems worldwide.