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Original Research

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SOCIOECONOMIC ASSOCIATIONS AND BARRIERS TO FINANCIAL INCLUSION AMONG SELECTED HOUSEHOLDS IN THE GA NORTH MUNICIPAL ASSEMBLY, ACCRA

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Abstract
Financial inclusion remains a critical driver of socio-economic development, particularly in low- and middle-income settings where access to formal financial services remains uneven. This study assessed access to financial services, barriers to financial inclusion, and socioeconomic differentials among households in selected communities within the Ga North Municipal Assembly, Accra, Ghana. A community-based cross-sectional survey was conducted among 100 adult respondents using structured questionnaires. Data were analysed using descriptive statistics, Pearson's chi-square test, and Fisher's exact test. Respondents had a mean age of 31.88 ± 12.07 years; 68% were male, 43% were self-employed, and 67% self-identified as poor. Overall, most respondents reported access to financial services, with mobile money widely used. Major barriers included lack of documentation (29%), distance to service providers (22%), and low financial literacy (21%). No statistically significant associations were found between financial inclusion and the selected socioeconomic variables at the 5% significance level, although age and income showed suggestive patterns. Mobile banking awareness (38%) and subsidised microfinance initiatives (30%) were the most frequently recommended strategies for improving inclusion. The findings highlight the importance of strengthening financial education, reducing accessibility and institutional barriers, and expanding inclusive digital financial services to enhance participation in formal and semi-formal financial systems.

Keywords: Financial Inclusion; Mobile Money; Financial Literacy; Socioeconomic Status; Banking Access; Barriers to Finance

Introduction

Financial inclusion refers to individuals' ability to access and use affordable, regulated financial services such as savings, credit, insurance, and payment systems. It is widely recognised as a key driver of inclusive economic growth, poverty reduction, and improved household welfare, particularly in low- and middle-income countries where many people continue to rely on informal financial systems (Demirgüç-Kunt et al., 2021, 2022; Koomson et al., 2020). Access to formal financial services enables individuals and households to manage financial risks, accumulate assets, and invest in education, health, and income-generating activities. Globally, access to financial services has improved considerably over the past decade, driven largely by technological innovation and digital financial services. Nevertheless, substantial disparities persist, particularly among women, low-income populations, and individuals with limited digital connectivity (Klapper et al., 2025). In Sub-Saharan Africa, the rapid expansion of mobile money has significantly increased access to financial services, although financial inclusion remains uneven across socioeconomic groups (Ozili, 2021).

Ghana has made notable progress in promoting financial inclusion through digital financial innovations, particularly mobile money, supported by national initiatives such as the National Financial Inclusion and Development Strategy (NFIDS) (Coffie & Hongjiang, 2023; Senyo et al., 2022). Despite these achievements, barriers including inadequate identification documents, limited financial literacy, affordability constraints, and unequal access to financial service providers continue to restrict participation in formal financial services, especially among vulnerable populations (Ofori-Acquah et al., 2023; Fanta & Mutsonziwa, 2021).

Previous studies have shown that financial inclusion is influenced by both individual and structural factors. Socioeconomic characteristics such as age, income, education, occupation, and gender affect the ability to utilise financial services, while institutional and infrastructural factors, including digital connectivity and proximity to financial institutions, influence service accessibility (Damayanthi, 2022; Eldomiaty et al., 2020; Mhlanga & Denhere, 2020). However, most Ghanaian studies have focused on rural populations, agricultural households, or national-level analyses, with limited evidence from urban communities where patterns of financial service utilisation may differ because of varying socioeconomic conditions and the rapid growth of digital financial services (Abokyi & Bettin, 2024; Coffie & Hongjiang, 2023; Koomson et al., 2020).

Given Accra's diverse socioeconomic environment and expanding digital financial ecosystem, there is a need for community-level evidence on the utilisation of financial services and the barriers influencing participation. This study therefore examined the socioeconomic associations and barriers to financial inclusion among adults in selected communities of the Ga North Municipal Assembly, Accra.

Methods

Study Design and Setting

This community-based cross-sectional study was conducted among adults residing in selected communities within the Ga North Municipal Assembly in the Greater Accra Region of Ghana. Ga North is a rapidly urbanising municipality characterised by a mixture of peri-urban and urban settlements, diverse socioeconomic activities, and expanding digital financial services.

The municipality was considered appropriate for this study because of its heterogeneous population and increasing adoption of formal and digital financial services.

Sampling and Sample Size

The study population comprised adults aged 18 years and above residing in selected communities within the Ga North Municipal Assembly. One eligible adult respondent was interviewed from each selected household. A total of 100 respondents participated in the study. Participants were selected using a convenience sampling technique because of logistical and resource constraints. The sample size of 100 respondents was considered adequate for generating preliminary evidence on financial service utilisation, perceived barriers and their associations with selected socioeconomic characteristics within the study area.

Data Collection Instrument

Data were collected using a structured interviewer-administered questionnaire developed for the study after reviewing relevant literature on financial inclusion. The questionnaire comprised closed-ended questions covering socio-demographic characteristics, utilisation of selected financial services, perceived barriers to financial service utilisation and respondents' suggested strategies for improving financial inclusion. Participants responded “Yes” or “No” to each financial service independently. Face-to-face interviews were conducted to ensure completeness and consistency of responses.

Study Variables

The study examined the utilisation of selected financial services, including mobile money, bank accounts, insurance, informal savings groups (susu), credit unions, and microfinance services. Each service was assessed independently using a dichotomous (Yes/No) response. Independent variables included age group, gender, educational level, occupation, monthly household income, and self-perceived financial status. Perceived barriers to financial service utilisation and respondents' suggested improvement strategies were analysed descriptively.

Data Management and Analysis

Completed questionnaires were checked daily for completeness and consistency before data entry. Data were entered into Microsoft Excel, cleaned, and exported to Stata version 16 (StataCorp LLC, College Station, TX, USA) for statistical analysis.

Descriptive statistics were used to summarise respondents' characteristics, financial service utilisation, perceived barriers, and suggested improvement strategies. Continuous variables were summarised using means and standard deviations, while categorical variables were presented as frequencies and percentages.

Associations between selected socioeconomic characteristics and financial service utilisation were assessed using Pearson's chi-square test. Where expected cell counts were small, Fisher's exact test was applied as appropriate. A two-sided p-value < 0.05 was considered statistically significant.

Ethical Considerations

Participation in the study was voluntary. Informed consent was obtained from all respondents prior to data collection. Participants were assured of confidentiality and anonymity, and no personally identifiable information was collected. Data were used solely for research purposes and stored securely to protect respondents' privacy. All participants were adults aged 18 years and above; no minors were enrolled in the study.

Results

Socio-Demographic Characteristics of Respondents

Table 1 presents the socio-demographic characteristics of the respondents. The mean age of respondents was 31.88 ± 12.07 years. The largest proportion of respondents (37.0%) were aged 18–24 years, followed by those aged 25–34 years (22.0%) and 35–44 years (20.0%). Respondents aged 45–54 years and 55 years and above accounted for 12.0% and 9.0% of the sample, respectively.

Most respondents were male (68.0%), while 32.0% were female. Regarding educational attainment, 30.0% had no formal education, 27.0% had primary education, 24.0% had secondary education, and 19.0% had tertiary education.

Most respondents were self-employed (43.0%), followed by those who were formally employed (39.0%), while 18.0% were unemployed. Monthly household income varied across respondents, with 27.0% earning below GHS 500, 26.0% earning between GHS 500 and GHS 1,000, 14.0% earning between GHS 1,001 and GHS 2,000, 18.0% earning between GHS 2,001 and GHS 5,000, and 15.0% earning above GHS 5,000.

Regarding self-perceived financial status, 67.0% of respondents considered themselves poor, whereas 33.0% reported that they were not poor.

Table 1. Socio-Demographic Characteristics of Respondents

Characteristic	Frequency (n)	Percentage (%)
	100	**100.0%**
Age Group		
18–24	37	37
25–34	22	22
35–44	20	20
45–54	12	12
55 years and above	9	9
Gender		
Female	32	32
Male	68	68
Educational Level		
No formal education	30	30
Primary education	27	27
Secondary education	24	24
Tertiary education	19	19
Occupation		
Formally employed	39	39
Self-employed	43	43
Unemployed	18	18
Monthly Household Income (GHS)		
Below 500	27	27
500–1,000	26	26
1,001–2,000	14	14
2,001–5,000	18	18
Above 5,000	15	15
Financial Status		
Poor	67	67
Not poor	33	33

Utilization of Financial Services Among Respondents

Table 2 presents respondents' utilization of selected financial services. Mobile money was the most reported financial service, with 59.0% of respondents indicating that they owned or used a mobile money account. This was followed by insurance services (49.0%), bank accounts (47.0%), informal savings groups (susu) (47.0%), credit union services (46.0%), and microfinance services (44.0%).

Table 2 Utilization of Financial Services Among Respondents

Financial Service	Yes n (%)	No n (%)
Mobile Money	59 (59.0)	41 (41.0)
Insurance	49 (49.0)	51 (51.0)
Bank Account	47 (47.0)	53 (53.0)
Informal Savings Groups (Susu)	47 (47.0)	53 (53.0)
Credit Union	46 (46.0)	54 (54.0)
Microfinance Services	44 (44.0)	56 (56.0)

Socioeconomic factors associated with Financial Service Utilization

Table 3 presents the associations between selected socioeconomic characteristics and financial service utilization. Pearson's chi-square test showed no statistically significant associations between financial service utilization and gender ($\chi^2 = 0.200$, $p = 0.655$), age group ($\chi^2 = 9.38$, $df = 4$, $p = 0.052$), educational level ($\chi^2 = 0.160$, $p = 0.984$), occupation ($\chi^2 = 0.677$, $p = 0.713$), monthly household income ($\chi^2 = 9.121$, $p = 0.058$), or self-perceived financial status ($\chi^2 = 0.044$, $p = 0.835$).

Although age group and monthly household income had comparatively lower p-values than the other variables, the evidence was insufficient to conclude statistically significant associations at the 5% significance level. See table 3

Table 3 Socioeconomic Associations with Financial Inclusion

Variable	Access: Yes n (%)	Access: No n (%)	χ^2 (df)	p-value
Gender			0.20 (1)	0.655
Female	18 (56.3)	14 (43.8)		
Male	35 (51.5)	33 (48.5)		
Age Group (years)			9.38 (4)	0.052
18–24	18 (48.6)	19 (51.4)		
25–34	17 (77.3)	5 (22.7)		
35–44	8 (40.0)	12 (60.0)		
45–54	4 (33.3)	8 (66.7)		
55 years and above	6 (66.7)	3 (33.3)		
Educational Level			0.16 (3)	0.984
No formal education	16 (53.3)	14 (46.7)		
Primary education	15 (55.6)	12 (44.4)		
Secondary education	12 (50.0)	12 (50.0)		
Tertiary education	10 (52.6)	9 (47.4)		
Occupation			0.68 (2)	0.713
Formally employed	21 (53.9)	18 (46.2)		
Self-employed	24 (55.8)	19 (44.2)		
Unemployed	8 (44.4)	10 (55.6)		
Monthly Household Income (GHS)			9.12 (4)	0.058
Below 500	16 (59.3)	11 (40.7)		
500–1,000	9 (34.6)	17 (65.4)		
1,001–2,000	11 (78.6)	3 (21.4)		
2,001–5,000	11 (61.1)	7 (38.9)		
Above 5,000	6 (40.0)	9 (60.0)		
Self-perceived Financial Status			0.04 (1)	0.835
Poor	36 (53.7)	31 (46.3)		
Not poor	17 (51.5)	16 (48.5)		

Discussion

This study examined the utilization of selected financial services, perceived barriers to financial service use, and their associations with selected socioeconomic characteristics among adults in selected communities of the Ga North Municipal Assembly, Accra. The findings indicate that mobile money was the most frequently reported financial service, followed by insurance services, bank accounts, informal savings groups (susu), credit unions, and microfinance services. These findings reflect the increasing importance of digital financial services in Ghana and are consistent with previous studies that identify mobile money as a major contributor to expanding financial service utilization because of its convenience, affordability, and accessibility (Aron, 2018; Shaikh et al., 2023). The widespread use of mobile money observed in this study is also consistent with the continuing expansion of digital financial services

reported in Ghana and other Sub-Saharan African countries (Coffie & Hongjiang, 2023; Senyo et al., 2022).

Respondents identified lack of documentation, distance to financial service providers, and limited financial knowledge as the most perceived barriers to utilizing financial services. These findings are consistent with previous studies that have identified documentation requirements, geographical accessibility, and financial capability as important challenges to participation in formal financial systems (Chikalipah, 2017; Fanta & Mutsonziwa, 2021; Ofori-Acquah et al., 2023).

No statistically significant associations were observed between access to financial services and the selected socioeconomic characteristics, including age group, gender, educational level, occupation, monthly household income, and self-perceived financial status. The absence of statistically significant associations reflect the exploratory nature of the study, the relatively small convenience sample, and limited statistical power rather than the absence of true relationships. Previous studies have reported mixed findings regarding the influence of socioeconomic characteristics on financial inclusion, suggesting that these relationships may vary across study settings and populations (Damayanthi, 2022; Mhlanga & Denhere, 2020).
The findings also indicate that informal financial mechanisms, particularly susu groups, remain widely used alongside formal financial services. This coexistence suggests that many individuals continue to rely on multiple financial mechanisms to meet their financial needs. Such findings highlight the complementary roles of formal and informal financial systems within urban communities and underline the need for policies that encourage greater integration of accessible financial services while recognising the continued importance of community-based financial practices.

Limitation

The use of a convenience sampling technique and the relatively small sample size limit the generalisability of the findings beyond the selected communities. In addition, information was self-reported and may be subject to recall or social desirability bias. The cross-sectional design also limits the ability to establish temporal or causal relationships between socioeconomic characteristics and financial service utilization.

Conclusion

This study provides preliminary evidence on the utilization of financial services and perceived barriers among adults in selected communities of the Ga North Municipal Assembly, Accra. Mobile money was the most frequently reported financial service, while lack of documentation, distance to financial service providers, and limited financial knowledge were the most commonly perceived barriers to financial service utilization.

No statistically significant associations were identified between access to financial services and the selected socioeconomic characteristics in this exploratory study. These findings suggest that larger, adequately powered studies using probability-based sampling are needed to better understand the socioeconomic factors associated with financial service utilization in Ghana.

The findings have important implications for policymakers and financial service providers. Strengthening financial literacy initiatives, improving awareness of available

financial services, expanding access to digital financial infrastructure, and addressing practical barriers identified by respondents may contribute to improving participation in formal financial services. However, these recommendations should be interpreted as policy implications informed by respondents' reported experiences and existing literature rather than as interventions directly evaluated by this study.

Author Contributions:

Nelson Doe Dzivor: Conceptualization, methodology, investigation, data collection, formal analysis, interpretation of findings, writing original draft, project administration and correspondence.

Daniel Sedohia: Methodology, formal analysis, data curation, visualization, writing review and editing, and critical revision of the manuscript.

Alice Constance Mensah: Supervision, validation, critical review of the manuscript and overall academic guidance.

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