

Mobile Phone Money Fraudulency And Psychological Wellbeing Of Victims In Nakuru County Kenya

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Abstract

Psychological wellbeing can be referred to the extent to which people experience positive emotions and feelings of happiness. Although baseline psychological wellbeing may be fairly stable, day to day events and experiences also exert an impact. For example, even the most resilient person may eventually become very low, or depressed, if his or her daily experiences are constantly troubling. However, Kenyans have undergone massive stressful tragedies that results from mobile money fraudulences across the country. Cases of fraudulence are reported every day where victims suffer financial strain, social estrangement and emotional distress that continues for many years after the scam has happened. Kenya has been among the world countries which have experienced a tremendous increase of the number of people who prefer using mobile phones devices to carry out financial transaction services. However, this has made the service users become vulnerable targets to fraudsters who have increased in large numbers because of the gain in the fraudulent activities they carry out on daily basis. Nakuru County is among the counties in Kenya with high incidences of mobile money fraudulence cases according to a survey that was conducted among the 47 counties in the country. This became the motivation factor to the researcher to conduct a study that is designed to assess techniques used by criminals to fraudulently steal money from users of mobile money services and the exiting psychological effects on the victims in Nakuru County and make recommendations on how to mitigate this vice in the county. The study will adopt a descriptive research design survey where it will target residents of the county from among business people, counseling psychologists, social workers, the victims, medical doctors, people working in mobile banking related fields such as banks and mobile money services agents and police officers in cybercrime departments who will form the target population. Raw data from respondents will be obtained using questionnaires, interviews and focused group discussions. The analyzed data will be presented in the form of narrative and verbatim quotations. Quantitative data will be analyzed using descriptive statistics including percentages and means which will be presented in tables, graphs, and pie charts.

Keyword: Mobile money services, fraudulences, psychological wellbeing, Nakuru County Kenya.

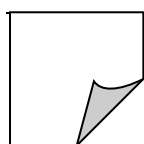
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I. Introduction

Money services provided by mobile phones have evolved at a breakneck speed in many countries in the world. It is estimated that mobile subscribers will be over 5.8 billion by 2025 globally and this will automatically lead to increased users of mobile money services. This will be mostly among the under banked and unbanked societies in the universe. Increased usage of mobile phones money services has been associated with increased fraudulence cases. Fraud victims of mobile money services fraudulences have been found to suffer physically, mentally, emotionally and also spiritually. Besides the expected financial losses, they also go through traumatic experiences that results to mental health problems which may manifest as, among other symptoms sadness, intrusive thoughts, nightmares, anxiety, rumination, disturbed sleep, a higher risk of suicide, and others intense feelings which include wrath, hatred, self-blame, bitterness, shame, concern, despair, hopelessness, shock, betrayal and lack of confidence which frequently accompany or manifest the mental health challenges (Sarriá et al., 2019). It has been demonstrated that stress has a direct influence on physical health, particularly in people who already have health issues. It is clear that mobile money services exploitation poses a threat not just on the mind but also to the body from bad sleep and pain to lower subjective health

Mobile phone money services have been adopted universally by many people as means of paying for a variety of services and goods in place of cash, cheques and credit cards. In Kenya, this sector has attracted many



investors due to its acceptance and profitability. Unfortunately, mobile money services have become a conduit for fraudulences and other illegal dealings. Reports published by service providers and the criminal investigation police officers prove that fraud have been rampant in Kenya. Victims are adversely affected in many areas of their lives with devastating financial, social, emotional wellbeing as well as support-related impacts (Siddharth 2022). In addition to obvious effects like bodily pain and the loss of belongings, crimes also have long-lasting psychological effects on victims.

This research was an exploratory study whose goal was to learn about the psychological impacts that results from mobile money services fraudulences on residents of Nakuru County. There was a shortage of information on the psychological wellbeing of mobile money scam victims in the County. Other objectives of the study was to identify techniques used by fraudsters on victims and have psychological effects on them, the other was to determine measures Nakuru County residents should observe to protect themselves from being victims of mobile phone money fraudulence.

II. Literature Review: Theoretical Framework.

To comprehend mobile money services fraud and the psychological consequences, the research reviewed several theories in line with the objectives of the study. There is no clear explanation for why people engage in fraudulence behavior. Accordingly, people react differently when faced with traumatizing situations. When victims experience any mobile money fraud, they develop mind and emotional torture which if not well handled affect their lives there after. Some people who experience such grief find themselves considering suicide (Modic D., Anderson R. 2015). Fraud victims frequently feel robbed of their dignity, security, and self-esteem in addition to losing money. In accordance with these ideas, reviewing the theories that are in existence regarding fraudulent criminal activities and the psychological wellbeing of victims was very crucial in order to determine whether there are any inherent suspicious information or warning signs that could be used to fight against such criminal activities and the psychological effects they have on victims.

Horowitz (1986) is regarded as a pioneer in the study of post traumatic stress disorder PTSD due to his long-standing interest in how people process loss and trauma-related thoughts, memories and moods. His concept was based on extensive research that emphasized on how people constructed their own assumptive worlds, studies of both normal and abnormal grieving behaviors, and psychodynamic theory. According to Horowitz, traumatized fraud victims exhibited symptoms like continuous anxiety, unrelenting resentment and wrath, humiliation and embarrassment, loss of ability to trust, impression of injustice, doubts about one's spirituality, melancholy and even suicidal thoughts.

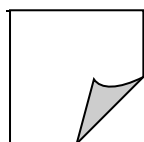
This theory has evolved where further studies have shown there is evidence that persistent stress can interfere with the immune system's capacity to operate properly and interfere with the release of other neurotransmitters like serotonin. Endorphins, molecules with a structure resembling that of morphine and other opiate medicines used to reduce pain, may also be affected by stress. This theory was improved to accommodate the consequences that victims of mobile money frauds experience in the modern technological world such as complete change of life style. Victims loss the ability to shape their future, others suffer eating and sleeping disorders, some develop self destructive behavior where some commit suicide, others use alcohol and/or drugs and some develop anti-social behavior. Resentment or retribution can "poison the mind," and emotions like wrath, violence, despair, and misery can all take many forms. Researchers refer to the emotional experience of fraud victims as "fraud trauma syndrome." In addition to this theory is how victims who have an effective psychosocial support team where the victims get a platform to open up about the fraud experience they went through and they manage to psychologically recover fast.

Building on the foundations of stress response theory, researchers have posited that victims of mobile financial frauds with prolonged stress were found to suffer signs of serious health problems such as heart diseases, irritable bowel syndrome, high blood pressure, tension headaches, high blood sugar, depression among others.

The theory was essential to this study because it exposes the researcher to the types of psychological pain that victims of mobile money fraudulences experience. The theory has been able to show that victims of financial fraud frequently endure psychological and social effects in addition to physical and economic implications especially where huge amount of money is lost to fraudsters. This theory was crucial as it informed some ways of how victims can start the healing process when suffering psychological distress due to MMS monetary losses. Comprehension of this theory is salient in achieving the objective of the research in assessing psychological wellbeing of mobile money services fraud victims as well as establishing their recovery measures.

III. Research Methodology

The research used a descriptive survey approach where a wide variety of quantitative and qualitative methods of investigating one or more variables was applied. The study used Krejcie and Morgan formula of



estimating the sample size. The survey used 384 participants who were placed into clusters of mobile money fraud victims, medical doctors, social workers, mobile money service agents, Kenya police officers working in cyber crimes departments, business community and counseling psychologists to make up the sample frame. This sample represented the target demographic from the overall population which made a considerable number that the researcher managed to get in touch with.

Data collection from the respondents was done through questionnaires, scheduled interviews, and targeted group discussions. The objective of the study informed the basis of data analysis where the techniques of quantitative and qualitative data analysis were employed. Percentages, frequencies and mean scores were used to present quantitative data. Pie charts, tables, and graphs were used to convey the data. On the other hand, thematic analysis of qualitative data was done in accordance with the themes and patterns identified. Both narrative and direct quotation formats were used to present the data.

IV. Data Presentation And Analysis.

Findings shown that 307 out of the targeted 384 respondents participated in the research by filling the questionnaires , participating in interviews and focused group discussions organized as part of data collection tool representing an overall response rate of 79.9 %. However, 20.1% did not give their responses on the survey.

Table 4.5 Assessment of the psychological well being of fraud victims

	SA	Agree	N.S	D	SD	Mean	StD
Fraud tampers with victims' psychological wellbeing.	60.1%	20.2%	5.3%	4.3%	2.8%	4.3	0.8
Victims develop mental health complications after they are defrauded.	28.2%	32.9%	11.5%	9.7%	4.8%	4.1	0.7
Fraud victims develop health complications after going through prolonged psychological disorders	19.3%	21.0%	10.1%	31.6%	7.8%	4.0	1.0
Family members offer psychological support to mobile money fraud victims	44.4%	31.8%	6.9%	12.4%	3.1%	3.7	0.9
Close friends and colleagues give psychological support to mobile money fraud victims	35.5%	29.6%	7.6%	18.5%	6.4%	3.6	1.3
Victims with psychological disturbances require professional assistance to settle their distress	31.6%	36.5%	18.7%	10.6%	8.7%	3.9	0.6
MMS fraud victims seek professional help whenever necessary.	16.7%	27.4%	22.2%	13.5%	10.7%	3.8	0.9
Fraud victims recover from psychological distress after getting the necessary assistance.	34.8%	23.2%	14.9%	8.9%	5.1%	3.7	1.0

Where SA indicates strongly agree, NS indicates not sure, D indicates disagree, SD indicates strongly disagree and StD indicates standard deviation

The objective of the study was to assess the psychological wellbeing of mobile money fraud victims in Nakuru County. Majority (80%) of the respondents indicated that fraud tamper with psychological wellbeing of the victims, 48% agreed that victims developed mental problems after going through a mobile financial scam, 40% supported that some victims even suffer other health complications after prolonged psychological disorders. This study also found out that 75% of victims had that opinion that family members support their loved ones when they are hit by the storm of a financial fraud while 64% of the victims got supported psychologically by their friends and colleagues. The research also found out that 67% of the participants supported that fraud victims who were psychologically disturbed required professional intervention to recover yet only 43% of them went to seek that help. However, 67% of the respondents felt that victims who seek professional help overcome their psychological and health complications, recover and join their productive lives again after certain duration of time.

Interviews with counseling psychologist and social workers revealed that fraud victims felt personal violation which shattered their trust in own judgment where they felt they would have realized the tricks played on them by fraudsters and taken precaution. Others lost trust in other people since they thought they were betrayed by people who know them well and that's why criminals succeeded in defrauding them. Some victims choose not to share their experiences with family members, friends and other close associates because they feared criticism which worsened their psychological wellbeing. Other victims shared their experiences with family members and friends who blamed them for being duped by fraudsters, they could not understand them and these added more harm to the psychological traumas that they were going through already.

Psychological traumas were discovered to directly impact one's physical health, especially in individuals with pre-existing conditions. From poor sleep and pain to lower subjective health, it was clear that financial exploitation, like other forms of abuse, threatened not only the mind but also the body. Victims

confessed getting into debts to manage the situation that mobile money fraud left them and they explained that they felt very disturbed mentally any time their creditors called demanding for their money.

The study uncovered that modern fraud is dynamic in nature and also evolving in speed. Being relatively new to the market, mobile money has several loopholes by way of operations, regulations, and user knowledge. Also, being a fast, cheap, and easy way to transact makes it increasingly susceptible to attacks like money laundering and fraud.

V. Conclusions

The study found that fraudulent practices in mobile financial service were thriving and this was attributed to poor knowledge on the fraudsters techniques and this can be a result of inadequate training on this menace to the key stakeholders in the industry. The results of the study shows that to combat mobile money fraud, a collaboration between the key stakeholders has to be sound and active where they implement punitive measures and fines to fraudsters who dabble in money laundering and other financial frauds through the mobile money services. The mobile money operators must have effective up-to-date internal systems that assist them to fight the menace. These combative measures once in place will repose confidence in the service to attract more subscribers to attain financial inclusion drive for Nakuru county residents.

The research found that, victims of mobile phone money fraudulences suffered psychological distresses where they experienced feelings of being upset, frustrated and possibly embarrassed. Majority blamed themselves for being dubbed forgetting that fraudsters were highly intelligent criminals with experience in what they do that why many people always found themselves falling into their traps. It's important to note that recovery from psychological trauma is a highly individualized process and professional help may be beneficial for some individuals. Seeking support from mental health professionals who specialize in trauma can provide additional guidance and therapeutic interventions tailored to your specific needs.

VI. Recommendations

Based on the conclusions from the findings of the study, mobile money fraudulences have far more reaching implications beyond financial losses and psychological torture to victims, the effects of these criminalities were felt by all money transaction sectors and the economy of the nation comprehensively. To have safe and secure mobile money services, the research made the recommendations below

A legislative instrument or an Act of Parliament should be enacted specially to guide the mobile money service excluding it from laws guiding other cashless electronic financial services. This should be done by drawing the views of all the stakeholders in the mobile money industry.

The government must build capacity for the Police Service and other security agencies which deal with mobile money frauds to be able to understand the dynamic methods of operations that fraudsters use in order to stop them. Collaboration between the mobile money operators and the cyber crimes investigation officers should be strengthened to arrest and deal with the menace

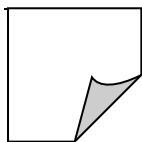
Mobile money service providers and operators should spend a lot of resources creating awareness on fraud matters to their subscribers and agents. They have to keep educating their customers and merchants on personal security on the mobile money platform. A subscriber must also be educated to never disclose their secret PIN to anybody, including agents. PIN must be periodically updated to avoid being hacked. Those incapable should be assisted to protect their phones/tablets with a strong password and a set up SIM card PIN so that it cannot be used in another device. Mobile money account should be kept secret. The public should be cautioned to be careful when picking or returning a call from an unknown number, they could be fraudsters. Ignore suspicious text messages asking for money to release a package or prize, especially if you have not been engaged in any draw or raffle. Service subscribers should call to verify if money has been received by the intended person when using the services of agents. Service users have to double check to confirm if indeed money has been mistakenly sent into the account of a subscriber before reversing it to the sender.

Robust internal controls should be ensured to monitor the transactions and bring out the dubious ones. Anti-malware application on mobile phones should be encouraged, though a subscriber must not download suspicious apps.

The government has to ensure strict rules for merchant identification so that recalcitrant merchants could be traced easily and arrested when they engage in fraud. The government has to ensure regular checks on mobile money businesses to ensure all are registered and offering the legal services.

Moreover, the government should make deliberate moves to train selected judges and legal practitioners in Kenya on how fraudsters take advantage of the mobile money transactions to defraud unsuspecting customer. This will go a long way in bring justice to fraud victims in the country.

The government should consider employing counseling psychologists to offer their services fraud victims and other people in need without charges since victims expressed the need of receiving such professional services during desperate moment of agony yet some of them could not afford the facilitation fees.



Mobile money providers should continue to make investments in technology, resources and training to respond to fraud threats, and regularly review whether existing controls are effectively aligned with emerging fraud threats. Implementing the recommendations and frameworks referenced in this paper will bring the industry a step closer to providing safe and secure services

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