

INFLUENCE OF CENTRAL BANK OF NIGERIA CURRENCY RE-DESIGN AND CONSUMER ACCEPTANCE IN ENUGU METROPOLIS

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Abstract: The study examined Central Bank of Nigeria Currency Re-design and Consumer Acceptance in Enugu Metropolis. The specific objective includes to; ascertain the degree to which currency colour influences consumer acceptance and determine the extent to which currency paper quality influences consumer acceptance in Enugu Metropolis. A descriptive survey research design was adopted for the study. The population of the study confirmed 30 deposit money banks in Nigeria. But based on the study three (4) banks and its staff were selected to represent the entire population. Total number of sixty (60) both staff and customers were drawn from those banks 10 staff each and 10 customers each cut across the banks. The sample size of the study was 60 using judgmental and simple random sampling. Instrument used for data collection was questionnaire. The findings affirmed that automated teller machine had a significant relationship to the customer patronage of deposit money banks in Enugu Metropolis, point-of- Sales had a significant relationship to the customer patronage of deposit money banks in Enugu Metropolis and mobile banking had a significant relationship to the customer patronage of deposit money banks in Enugu Metropolis. The study concluded that all the independent variables (e-payment system) had a significant relationship to the dependent variable (customer patronage). Also, Technology has unarguably made our lives easier. It has cut across distance, space and even time. The study therefore recommends that the banks must perform more education and advertisement on electronic payments so that the Nigerian population will appreciate and use electronic products available like ATM to cash money in regular bases.

Keywords: Currency re-design, Consumer acceptance, Deposit money banks, electronic payment systems, Automated teller machine (ATM)

INTRODUCTION

The Nigerian legal tender (currency) has been redesigned four (4) times since its introduction in 1965 when Nigeria became a republic, and the main reason for the first redesign was to reflect the Federal Republic of Nigeria in the note. During the pre-colonial era, different cultures used a variety of items as means of exchange. These included cowries, manilas, beads, bottles and salt amongst others (CBN 2022).

The First major predominant currency issue in Nigeria was undertaken, during the pre-colonial era following the colonial ordinance of 1880 which introduced the shillings and pence as legal tender. The Units of coins managed by the Bank of England were one shilling, ½, one penny ½ from 1912 to 1959, the West African Currency, currency Board (WACB) issued the first set of bank notes and coin in Nigeria, Ghana, Sierra Leone.

The highest banknote denomination was one pound and the one shilling coin was the highest in coin denominations. In July 1st, 1959 CBN issued Nigerian currency banknotes and coins were withdrawn.

It was until 1962 that the currency was changed to reflect the country's "republican status" away from its initial inscription of "Federation of Nigeria" to bear "Federal Republic of Nigeria" inscription. In 1977, a new banknotes with the value of twenty naira was issued, it was the highest denomination introduced at the time due to the growth of the economy and the more preference for cash transactions and the needs of more convenience, it bears the portrait of one of Nigeria's prominent Head of State "Murtala, Muhammed (1938-1976) also, in 1979 three new currency banknotes of ₦1, ₦5 and ₦10 were introduced in more distinctive colors which bears portraits of key eminent Nigerians.

In 1984, the colors of all the banknotes in circulation were also changed with the exception of the 50kobo banknote to discourage currency trafficking and capital flight prevailing at that time. As part of the economic reforms of expansion and increase in economic activities of wealth creation the Nigeria currencies were re-modified and issued in polymer substrate and in the celebrations of Nigeria's independence and her centenary years of existence as a nation, both ₦50 polymer & ₦100 were introduced as commemorative note (CBN 2022). Nigeria has experienced the introduction and redesigning of her currencies in circulations with the CBN playing pivotal roles in protecting its stability (Naseem, '2012). Recently, the Central Bank of Nigeria (CBN 2022) issued a statement that it has concluded plans to redesign the Naira. The CBN Governor cited money hoarding, inflation, and counterfeiting as major reasons for its unusual decision. The CBN claims that about N2.73 trillion of the N3.23 trillion currency in circulation in Nigeria, is outside the bank vaults. This is about 85% of the total money in circulation. Also, the Naira is not as secured as it ought to be, as it is easier to counterfeit the ₦500 and ₦1000 denominations. This policy has elicited serious debate amongst Economists, Lawyers, and other policy experts (Olujobi, 2022). Many of them hold the view that this policy changes holds no significant economic benefits for the people, and is a distraction in the midst of serious ravaging economic issues, The CBN in its most recent report, 2020 Currency Report, states that a total of 67,265 pieces of counterfeit notes with a nominal value of ₦56.83 million was confiscated in 2020, indicating a 20.80% decrease in volume and 12.18% decrease in value, compared with 84,934 pieces valued at ₦64.71 million in 2019. The Global standard for number of counterfeits per million, is 100. The ratio of counterfeit notes to volume of banknotes in circulation was 13 pieces per million in 2020, compared to 20 pieces per million banknotes in 2019. This shows that the issue of currency counterfeit, is not as rampant as to warrant a currency redesign (Olujobi, 2022). This study is therefore designed to investigate consumer acceptance of Central Bank of Nigeria's currency redesign in Enugu metropolis of Nigeria.

Statement of the Problem

In the past years, the CBN has recorded significantly higher rates of counterfeiting especially at the higher denominations of ₦500 and ₦1,000 banknotes. Although global best practice is for central banks to redesign, produce and circulate new local legal tender every 5–8 years, the Naira has not been redesigned in the last 20 years (Godwin Emefiele, 2022).

In recent times, however, currency management has faced several daunting challenges that have continued to grow in scale and sophistication with attendant and unintended consequences for the integrity of both the CBN

and the country. These challenges primarily include: Significant hoarding of banknotes by members of the public, with statistics showing that over 80 percent of currency in circulation are outside the vaults of commercial banks; worsening shortage of clean and fit banknotes with attendant negative perception of the CBN and increased risk to financial stability; increasing ease and risk of counterfeiting evidenced by several security reports. (Godwin Emefiele 2022).

The Apex Bank's decision to demonetise the old notes by February 10, 2023 and circulate limited amount of the new notes resulted in an unprecedented cash crunch (Adegboyega, 2023). With a visible infrastructural deficit for a cashless economy to effectively take-off in Nigeria, transactions via e-banking channels became very difficult especially for the poor, unbanked and unlettered segments of the population. The new programme, therefore, attracted reactions from Nigerians. A section of the political class in the country cried foul, alleging that the government was using the CBN as an attack-dog to render politicians bankrupt ahead of the 2023 general elections, held in February and March. A number of economic experts thought that the programme would have a devastating effect on Nigeria's economy, especially because it was hurriedly conceived, planned and implemented. Typical of Nigerian public discourses, many commentators, who felt that the programme was unnecessary, criticised it for reasons as trivial as the view that the new notes were merely "recoloured" versions of the old notes, but not "redesigned" (Nwanma, 2023).

Naira notes have attracted global attention at the turn of 2023 for the wrong reasons. The currency redesign policy was a needless exercise that turned out to be a chaotic wild goose chase, until the Supreme Court suspended it on legal grounds. The Supreme Court Ruling has however not completely taken the issue off the table as the N200, N500, and N1,000 currency notes may still cease to be legal tender by 31 December 2023. The policy choice Nigeria must make is whether to replace the old notes with new ones of the values or with new notes of higher face values (Ayo Teriba, 2023). This prompted the widespread agreement in Nigeria that the financial crisis was both triggered and propagated by failures within the financial system. More open, however, remains the debate on its underlying causes.

As evident from the previous studies, some school of thought believe that currency re-design has negative impact in the Nigeria's economy while others believe that currency re-design can help mitigate the use of counterfeiting, vote-buying and money hoarding. As a result of this, there is need for the researcher to further ascertain the Central Bank of Nigeria currency re-design and consumer acceptance in Enugu metropolis, where evidence from previous studies is scarce.

Objectives of the Study

The broad objective of the study was to examine the influence of Central Bank of Nigeria currency re-design and consumer acceptance in Enugu Metropolis. Other specific objectives include to:

- i. Ascertain the degree to which colour influences consumer acceptance of new CBN currency redesign in Enugu Metropolis
- ii. Determine the extent to which paper quality influences consumer acceptance of new CBN currency redesign in Enugu Metropolis.

The following group of individuals will greatly benefit from the study. These are Governors of Central Bank of Nigeria, Bank Managers, Scholars and Policy Makers. Central bank governors that pay close attention to the findings and recommendations of this study could adopt them to stimulate the economy of Nigeria. Previous studies in Nigeria on Central Bank of Nigeria have not focused on influence of currency re-design and consumer acceptance. This study will provide information that could be used by other scholars to understand Central Bank of Nigeria currency re-design and its influence on consumer acceptance in Enugu metropolis. Scholars could use information from the study as basis to determine the proxies for currency re-design, research gap in the literature, discussion of findings and formulation of useful hypotheses. Findings from this study will help government and other policy makers to design effective policies that will guide the operations of Central Bank in Enugu Metropolis and Nigeria at large.

REVIEW OF RELATED LITERATURE

Conceptual Review

CBN Currency Re-design

Currency redesign refers to the process of changing the design, security features, and other characteristics of a country's currency. Akinleye (2022) says In Nigeria, currency redesign has been a significant policy issue due to the country's historical experience of currency counterfeiting, which has led to significant economic losses. The redesign of Nigerian currency is aimed at improving the security features of the currency, enhancing its durability and aesthetics, and combating counterfeiting. Currency redesign is also seen as an opportunity to promote national pride and identity and can have a significant impact on the country's economy and monetary policy. Therefore, the topic of currency redesign and its implications for Nigeria is crucial for policymakers and stakeholders in the country's financial sector (Akinleye Oluniyi, 2022). The redesign of currency has beneficial and detrimental economic implications. Currency redesigns increase a currency's security by helping nations keep counterfeiting to a minimum and stay one step ahead of threats. Additionally, it is anticipated to boost the economy, lower cash management costs, advance financial inclusion, and improve the government's ability to monitor the money supply. Analysts say redesigning the naira has decreased inflammatory pressure and suppressed insecurities in Nigeria. (Peter Daniel 2022)

Currency Colour

Aruban Florinsthor, reveal how colours add meaning to the life. But what about role of colour in Finance and Economics. The researcher rarely thinks about it but need to investigate one of the most interesting questions and that is how colours add meaning to the world of finance and economics. There is no denying the fact that colors reveal more than what words can do many times. Colours are a very powerful tool to communicate. Colours are silent but still have strong messages embedded in that. There has been various research work done on the role of colour. Some interesting books have also been written on the topic including one from Goethe, who published his Theory of Colors in which he linked colour categories to emotional responds (Kaitlyn, 2015). There are many examples that support colours telling stories in the world of finance and economics. And it goes much beyond those usual patterns of colours that we see in our real life. Financial markets use colour frequently. For instance, when price of a stock goes up green colour is used to denote it, while red colour is used to show fall in the price. Kaitlyn (2015) there is no point mentioning story of pink newspapers here, because salmon pink colour was used by the famous newspaper "Financial Times" for making newspapers stand out from rivals. But there is more to colours than this. As per "Entrepreneur" magazine, blue is the colour of fiscal

responsibility, while red can indicate indebtedness. Currency colour represents culture. Similarly, lavender colour symbolizes the blend of young and old which was the colour of the economic survey presented in 2020. While such usage is common, sometimes colours give very deep and intense messages. Aruban (2021)

Currency Paper Quality

The demands on banknotes are not only growing in terms of security and design; efficiency and sustainability are factors against which modern banknotes must be measured. A decisive factor here is the durability of the notes in the cash cycle – the longer a banknote lasts, even under difficult circulation conditions, the later it has to be replaced by a new one. One answer to this circumstance is polymer banknotes, which indisputably have a better durability than pure cotton notes. However, in return, these notes show disadvantages in terms of security. And compromising on security simply does not work, Hybrid Addvance (2019).

Consumer Acceptance

Contextually, acceptance is a behaviour of likeness of something that consumers may exhibit to show preference to brands, service, store, product categories and activities. Marketing literature has shown a myriad of definition of consumer acceptance. Few examples that suggest consensus of opinion given their agreement with the attitudinal and psychological position of the concept will suffice here. Jacoby and Chestnut (2018) definition hold that consumer acceptance is a biased behavioral response that is expressed overtime by some individuals with respect to one or more alternatives out of a set of alternatives. This is indicative consumer acceptance is a psychological process. Oliver (2019) could not agree less and posited that the concept defines the customer's strong commitment to repurchase or re-patronize a preferred product/service consistently in the future, regardless of situational and/or marketing influences that potentially could stimulate switching behaviour.

Conceptual Framework

The current conceptual model was derived from above listed models of currency re-design which demonstrated a common relationship between currency re-design and consumer acceptance in commercial banks in Enugu

Currency Re-design

Independent Variables)

Currency Colour

Currency Paper Quality

H1

H2

Consumer Acceptance

(Dependent Variables)

Consumer Acceptance

Figure 2.1: Model of Currency Re-design and Consumer Acceptance

Source: Adapted from Nwachukwu, D. & Nwogu, C. (2022).

Theoretical Framework

Keynesian Theory

The theoretical underpinning to this research study is the Keynesian theory of monetary policy. In the views of the Keynesian, monetary policy plays a crucial role in influencing economic activities of a given society. The

theory argues that a change in monetary policy of the supply of money can permanently change some variables such as aggregate demand, interest rate, level of employment, level of income, and output (Jhinghan, 2016). Keynesian went further in believing that expansionary monetary policy generates an increase in the availability of the supply of loanable funds through the deposit money banking system, leading to the fall of interest rates. Hassan and Ahmad (2022) assert that with lower rates of interest, other variables such as aggregate expenditures on investment, manufacturing sector and interest-sensitive consumption goods usually increase, whereby making the real GDP to rise.

Mckinnon-Shaw Theory

The Mckinnon-Shaw framework contained two essential issues which give room for innovations in the financial system of developing countries; (1) the financial sector is critical for economic growth and (2) extensive government controls imposed on the financial sector prevents financial deepening and hinders the contribution of the sector to development. Mckinnon (1973) came up with the proposition in his study that there is a complimentary relationship between physical capital and money which reflect in money demand. This complementarily relationship according to Mckinnon (1973) connects the demand for money directly with the process of physical capital accumulation, due to the fact that the conditions of money supply have an influence on decision to save and invest. On the other hand, (Shaw 1973), hypothesis centered on financial intermediation between the savers and users of the saved fund resulting from financial liberalisation and development.

Empirical Review

Abubakar and Yandaki (2023) conducted research on the 2022 currency redesign programme of the central bank of Nigeria (CBN). The objective of the study was to ascertain the effect of currency redesign programme of the central bank of Nigeria. The study employed survey research design. Findings of the study revealed that currency redesign had significant and positive effect on central bank of Nigeria activities.

Akinleye (2022) studied an overview of policy implications of currency redesign in Nigeria. The purpose of the study was to examine overview of policy implications of currency redesign on the Nigerian economy. The study shows that currency redesign can have a significant impact on inflation, exchange rate, and monetary policy. The paper also explores the challenges associated with currency redesign, including the cost of production, logistics, and public perception. The findings of the study suggest that policymakers should carefully consider the potential benefits and drawbacks of currency redesign before implementing it.

Adeyemi and Osabohien (2020) investigated on how currency redesign impacts the economic growth of Nigeria. The study adopted an econometric method and analyzed data spanning from 1980 to 2017. The study revealed that the redesign of currency has a favorable effect on the economic growth of Nigeria.

Pillah (2023) examined the impact of currency redesign on monetary policy of Nigeria: an evaluation from 2015 to 2023. The study adopted descriptive research design and it was revealed that currency redesign can minimize the influence of money on the country's electoral process by discouraging vote-buying and inducing of electoral officers. The findings also suggests that the Central Bank of Nigeria (CBN) can limit cash flow to all Banks, by providing leadership and ensuring that the Naira is not commandeered in bullion vans for the prosecution of Elections vis-a-vis the Bimodal Voter Accreditation System (BVAS) at every polling booth monitored by INEC.

Olujobi (2022) investigated on the economic implications and justification for the adoption of the policy of currency redesign by the monetary authority in Nigeria. A descriptive approach of analysis using percentages, graphs and tables was utilized for the study. The findings of the study shows that currency redesigning by the CBN is another means to reduce excess of money supply in circulation and reinforced more monetary policy effectiveness in curbing inflationary pressure and enhance the exchange rate policy of the CBN and more liquidity.

Ojiabo, Onwumere, and Onyebuchi (2020) study investigates the challenges and prospects associated with the redesign of Nigerian currency. A descriptive research design was adopted for the study. The authors argue that the current design of Nigerian currency does not adequately reflect the country's cultural heritage and values, and that a redesign could provide an opportunity to showcase Nigeria's rich cultural diversity and promote economic growth.

Gimba *et al.* (2020) examined the effect of monetary policy on the financial performance of listed deposit money banks in Nigeria from 2006 to 2018. The study adopted the ex-post-facto research design. Using Panel time series, the study found that monetary policy has a significant positive impact on the performance of listed deposit money banks.

Mbabazize *et al.* (2020) investigated the influence of currency redesign on the profitability of commercial banks in Uganda by utilizing an annual set of data from 2010 to 2018. The study adopted the System Generalized Method of Moments (GMM) model and found out that currency redesign has a significant positive effect on the profitability of the banking sector while inflation has a significant negative effect on the banks' performance.

Uju and Ogochukwu, (2021) investigated the effect of monetary policy on industrial growth in Nigeria utilizing an annual time series dataset from 1986 to 2019. Adopting the Ordinary Least Square (OLS) regression, the study discovered that cash reserve and open market operation have a significant positive impact on industrial growth, while monetary policy rate has a significant negative effect on industrial sector growth.

Osakwe *et al.* (2019) evaluated the effect of monetary policy on the performance of the manufacturing sector in Nigeria. Using the Autoregressive Distributive Lag (ARDL) model, the research found that monetary policy exacts a significant positive impact on the manufacturing sector output in Nigeria.

Earnest and Afolashade (2021) examined the potential policy implications of the new currency restructuring exercise (CURE) on the Nigerian economy. The findings of the study show that the key potential policy implications of the new currency restructuring exercise are to raise Currency in Circulation, Money Supply and consequently inflation rate.

Ayo Teriba (2022) investigated the effect of naira redesign, supreme court ruling, and the road ahead. The study utilized a descriptive research method. However, the findings revealed that naira redesign had a positive significant effect on the economy and may inconvenience citizens as well as distract business activities if good policies are not in place to mitigate the negative impact on the economy.

Gaps in Empirical Review

Several studies were carried out on CBN currency re-design and consumer acceptance in Enugu metropolis. A number of studies indicated positive relationship between currency re-design and consumer acceptance in commercial banks in general (Abubakar and Yandaki (2023): Adeyemi and Osabohien (2020). Thus, the studies

idealized that currency redesign had significant and positive effect on central bank of Nigeria activities and redesign of currency has a favorable effect on the economic growth of Nigeria. However, other studies by Ayo Teriba (2022) & Akinleye (2022) indicated negative relationships between CBN currency re-design and consumer acceptance in commercial banks. Interestingly, it is evident that the studies indicated varying findings. Thus, there is a need to carry out a study in order to justify which studies are in agreement with the situation in Nigeria, especially in Enugu metropolis where previous studies are scarce and available ones inconclusive. In terms of CBN currency re-design and consumer acceptance in Enugu metropolis, this study remains the most current as at 2024.

METHODOLOGY

Research Design

Descriptive research design was utilized for this study. Descriptive research describes characteristics of a population or phenomenon being studied. It does answer questions about how, when, why a phenomenon exists. It refers to a situation in which a group of people or items are being studied by collecting data through a questionnaire, or oral interview from those considered to be a representative of the entire group. Primary sources of data were employed in this study and this was collected from questionnaire issued to users of Nigerian currency in Enugu metropolis. The population of study comprises the total number of adults from 18 years and above who use Nigerian currency to do transactions in Enugu metropolis. The total number of Nigerian currency users in Enugu metropolis was unknown or infinite. To determine the sample size of the study, the researcher employed Topman's formular which is for determining the sample size of an unknown population as follows:

$$N = \frac{Z^2 Pq}{e^2}$$

Where; N= Required Sample Size

$$Z = 1.96$$

$$P = \text{Probability of Success (0.5)}$$

$$Q = \text{Probability of Failure (0.5)}$$

$$e = 0.05 \text{ or } 5\% \text{ Limit of tolerable error.}$$

$$N = \frac{1.96^2 \times 0.5 \times 0.5}{0.05^2}$$

$$= \frac{0.9604}{0.0025}$$

$$= 384.16$$

$$= 384$$

Therefore, the sample size of the study was 384 consumers of Nigerian currency in Enugu metropolis.

A simple random sampling technique was used in selecting the customers that constitute the sample size using Bowley's (1976) proportional allocation formula for stratified sampling. The formular is stated below:

$$nh = \frac{n(Nh)}{N}$$

Where:

Nh = Group population from each stratum

n = overall sample size

N = the overall population

nh = sample size from each stratum,

Table 3.2: Sample Size Distribution

S/N	L.G.A in Enugu Metropolis	Population	Proportionate Sample Size
1	Enugu North	279,089	$\frac{4,389 \times 387}{11,577} = 147$
2	Enugu East	244,852	$\frac{453 \times 387}{11,577} = 15$
3	Enugu South	198,723	$\frac{3,885 \times 387}{11,577} = 130$
	TOTAL	722,664	384

Source: Field Survey, 2024

The instrument for data collection was structured questionnaire. The questionnaire were divided into sections A and B. Section A was designed to gather demographic data of the respondents like gender, educational qualification, age and work experience while section B contained (10) questions designed to gather data relating to the research questions. The questions were designed in five-points likert scale ranging from “strongly agree” to “strongly disagree” (5 = ‘Strongly Agree’, 4 = ‘Agree’, 3 = ‘Undecided’, 2 = ‘Disagree’ and 1 = ‘Strongly Disagree’). The face validity of the research instrument was used and determined by the supervisor. After that some copies were issued to the potential respondents to complete. The essence was to eliminate some phrases that are ambiguous or may be misinterpreted. Corrections from the researcher’s supervisor and the potential respondent were affected before using it to check the reliability of the questionnaire. In order to determine the reliability of the instrument, a pilot study was conducted by issuing 20 copies of the validated questionnaire to potential respondents in Enugu metropolis. Their responses on the instrument were used to determine its reliability using Cronbach Alpha (α) Reliability test for internal consistency of the instrument with a threshold of 0.70. as determined by Nunnally and Berstein (1994). Methods of Data analysis consist of descriptive and inferential analysis. Descriptive statistics such as percentages, frequency and tables were used in presenting and analyzing the data while in inferential statistics, Pearson Product Moment Correlation (r) model was utilized in testing the formulated hypotheses.

DATA PRESENTATION AND ANALYSES

The data were analyzed and presented in the tabular and percentage form as shown below.

Analysis of the Questionnaire Issued and Returned.

Table 4.1: Percentage of the Questionnaire Issued and Returned

Respondents	Copies of Questionnaire Distributed	Copies Returned	Percentage Returned	Copies not Returned	Percentage not Returned
Customers	384	346	90%	38	10%
Total	384	346	90%	38	10%

Source: Field Survey, 2024

Table 4.1 above shows that 387 copies of the questionnaire were distributed to customers of the four selected commercial banks out of which 346 (89%) were returned while 41(11%) were not. Therefore, the total of 346 (89%) copies of questionnaire were used for the analysis.

Test of Hypothesis One

Hypothesis 1 earlier stated in section 1 of this study will be tested using regression analysis tool. The hypothesis was tested as follows:

1. Re- statement of hypothesis in Null and alternate form.
2. Statement of decision criteria or criterion.
3. Presentation of test result.
4. Decision.

Decision Rule: Accept the null hypothesis if the sign of the correlation coefficient is negative and probability value > 0.05 . Otherwise, reject the null hypothesis and accept the alternate accordingly.

Test of Hypothesis One

H₀₁: There is no significant positive influence of colour on consumer acceptance of new CBN currency redesign in Enugu Metropolis.

H_{a1}: There is significant positive influence of colour on consumer acceptance of new CBN currency redesign in Enugu Metropolis.

Model Summary

Equation 1	Multiple R	.954
	R Square	.911
	Adjusted R Square	.911
	Std. Error of the Estimate	.413

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Equation 1	Regression	664.845	1	664.845	3897.964	.000
	Residual	65.155	343	.171		
	Total	730.000	344			

Coefficients

		Unstandardized Coefficients		Beta	T	Sig.
		B	Std. Error			
Equation 1	(Constant)	-.299	.048		-6.263	.000
	PRICE	1.050	.017	.954	62.434	.000

The result indicated that the model had a probability value of .000 and coefficient value of .017, which manifests a good positive influence between dependent and independent variables. The Table further showed that the goodness of fit (R^2) is .911 which depicted that 91% of the changes in dependent variable (Consumer Acceptance) is accounted for by the independent variable (Currency Colour). More so, the adjusted R^2 square is 91% which further justified the fact. In conclusion, colour has significant positive influence on consumer acceptance of new CBN currency redesign in Enugu Metropolis.

Analysis of Research Question II and Test of Hypothesis II

Research Question 2: To what extent does paper quality influence consumer acceptance of new CBN currency redesign in Enugu Metropolis.

Table 4.2: Influence of paper quality on consumer acceptance of new CBN currency redesign in Enugu metropolis.

Options (N =346)	SA (Freq %)	A (Freq %)	UD (Freq %)	D (Freq %)	SD (Freq %)	Mean
Paper quality of the new CBN currency redesign is not durable	170 (49%) 850	80 (23%) 320	16 (5%) 48	50 (14%) 100	30 (9%) 30	346 100 1,348 (3.89=A)
Old CBN notes are superior in quality than new notes	150 (43%) 750	100 (29%) 400	20 (6%) 26	50 (14%) 100	26 (8%) 60	346 100% 1,336 (3.86=A)
Currencies are better redesigned using polymer substrates	180 (51%) 900	110 (32%) 440	5 (1%) 15	31 (9%) 62	20 (6%) 20	346 100% 1,437 (4.15=A)

Source: Field Survey, 2024

Paper quality of the new CBN currency redesign is not durable

Respondents were asked to say their opinion on whether or not paper quality of the new CBN currency redesign is not durable, table 4.8 shows that 170(49%) said they “strongly agreed”, 80(23%) “agreed”, 16(5%) were “undecided”, 50(14%) “disagreed” while 30(9%) “strongly disagreed”

Analysis proved that most of the respondents strongly agreed that paper quality of the new CBN currency redesign is not durable.

Old CBN notes are superior in quality than new notes

Table 4.2 also shows that when consumers were asked to say their opinion on whether old CBN notes are superior in quality than new notes, 150(43%) said they “strongly agreed”, 100(29%) “agreed”, 20(6%) were “undecided”, 50(14%) “disagreed” whereas 26(8%) “strongly disagreed”.

In respect of the analysis above, majority of the respondents strongly agreed that Old CBN notes are superior in quality than new notes.

Currencies are better redesigned using polymer substrates

Table 4.2 shows that when respondents were asked to indicate their opinion on whether or not currencies are better redesigned using polymer substrates, 180(51%) “strongly agreed”, 110(32%) said “agreed”, 5(1%) were “undecided”, 31(9%) “disagreed” whereas 20(6%) “strongly disagreed” .

Therefore, analysis shows that majority of consumers strongly agreed that Currencies are better redesigned using polymer substrates.

Test of Hypothesis Two

H₀₁: There is no significant positive influence of paper quality on consumer acceptance of new CBN currency redesign in Enugu Metropolis.

H_{a1}: Paper quality has significant positive influence on consumer acceptance of new CBN currency redesign in Enugu Metropolis.

Model Summary

Equation 1	Multiple R	.976
	R Square	.953
	Adjusted R Square	.953
	Std. Error of the Estimate	.283

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Equation 1	Regression	622.736	1	622.736	7763.896	.000
	Residual	30.640	343	.080		
	Total	653.376	344			

Coefficients

		Unstandardized Coefficients		Beta	T	Sig.
		B	Std. Error			
Equation 1	(Constant)	.116	.029		3.950	.000
	QUALITY	.945	.011	.989	88.113	.000

The result indicated that the model had a probability value of .000 and coefficient value of .011, which manifests a good positive influence between dependent and independent variables. The Table further showed that the goodness of fit (R^2) is .911 which depicted that 91% of the changes in dependent variable (Consumer Acceptance) is accounted for by the independent variable (paper quality). More so, the adjusted R^2 square is 95% which further justified the fact. In conclusion, paper quality has significant positive influence on new CBN currency redesign in Enugu Metropolis.

Discussion of Findings

Objective One: To ascertain the degree to which colour influences consumer acceptance of new CBN currency redesign in Enugu Metropolis

Based on the result of the study, hypothesis one revealed that colour significantly affects consumer acceptance of new CBN currency re-design in Enugu Metropolis. This is in agreement with the findings of Mohammed, (2013); Simon & Senaji, (2016). This finding is consistence with Simon and Senaji (2016) who concluded that convenience of currency colour significantly affects consumer acceptance of currency redesign in Enugu State, Nigeria.

Objective Two: determine the extent to which paper quality influences consumer acceptance of new CBN currency redesign in Enugu Metropolis. Paper quality significantly affects consumer acceptance of new CBN currency redesign in Enugu State. This is surprising as it deviates from the appropriate positive expectation, however, this can be attributed to CBN failure which hinders financial transaction activities. The poor quality of redesigned currency causes dissatisfaction and rejection among users as many consumers prefer the old notes to the new ones. Also, redesigning currency in polymer substrates will stimulate consumer acceptance due its quality and durability, cost of cash management will be reduced and help to fast tracking growth in the nation's financial sector. This is in agreement with the findings of Ajayi (2014); Mohammed and Adamu (2014) on implementation of cashless policy in Nigeria.

Summary of Findings

The following findings were made;

1. Colour had a significant positive effect on consumer acceptance of new CBN's currency redesign in Enugu Metropolis.
2. Paper quality had a significant positive effect on consumer acceptance of new CBN's currency redesign in Enugu Metropolis

Conclusion

Based on findings, we conclude that Central Bank of Nigeria currency re-design had significant positive effect on consumer acceptance of new CBN's currency redesign in Enugu metropolis. Specifically, colour and paper quality respectively in Enugu metropolis.

Recommendations

The following recommendations were made based on findings of this study:

1. Attractive and unfading colours should be encouraged when redesigning currencies to stimulate consumer acceptance and enable them identify counterfeit notes.
2. Central Bank of Nigeria should adopt polymer substrates or carefully choose paper quality that is capable of lasting longer to discourage excessive circulation of mutilated currencies by consumers in Enugu metropolis.

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