

INTERNET BANKING AND SUSTAINABILITY OF REGISTERED COMMERCIAL BANKS IN KENYA

Wanjiru P.M.¹, Mutiso A.N.²

Kirinyaga University, KENYA

Correspondence: pmwangi@kyu.ac.ke

ABSTRACT

The rapid growth of Fintech products has resulted in the development of internet banking offered by banks and other telecommunication companies. Internet banking services were initially offered by online financial companies but were later adopted by commercial banks. However, they have been posing threats to operational sustainability of banks especially when offered by other online platforms. Consequently, Commercial banks globally have started showing some signs of distress, and this ought to be examined because of their crucial role in the economy. This study is aimed at examining the influence of internet banking on long-term sustainability of bank in Kenya. The target population of this study was bank employees from Kenya registered banks. The targeted five seniors' officials in each Commercial banks, making a total target population of 210 respondents. A sample of 120 respondents was randomly selected from the target population. Questionnaires were used as the primary method of data collection. Results showed that internet banking had significant influence on sustainability of commercial banks in Kenya. It is recommended that commercial banks entrench online lending platforms to counter the threat of online non-banking lending platforms. This approach would enable commercial banks to have an advantage over non-banking financial service providers in the future.

Keywords: *Internet banking, Fintech, Sustainability and Commercial banks*