

# **INFLUENCE OF MOBILE PHONE BANKING ON TRADITIONAL BANKING TRANSACTIONS; A CASE OF BANKING INSTITUTIONS IN NAIROBI CENTRAL BUSINESS DISTRICT**

**Degree Programme:** [MASTER OF ARTS IN PROJECT PLANNING AND MANAGEMENT](#) [1]

**Student Names:** ONGWENYI SANDRA OONGE

**Student Registration Number:** L50/62473/2010

Share: [Facebook](#) [2] [Twitter](#) [3] [Google Plus](#) [4] [Yahoo](#) [5] [LinkedIn](#) [6] [Digg](#) [7] [Delicious](#) [8]

This study was carried out to examine the influence of mobile phone banking technology on traditional banking transactions with reference to Kenya's banking institutions. The study was motivated by an increased revolution in the banking sector with an overall gap remaining in the addressing the implications of mobile phone banking to traditional banking transactions. The study is expected to contribute to the existing knowledge on mobile phone banking by addressing the gaps left in previous research on mobile phone banking in relation to banking transactions, highlight the trends in adoption of mobile phone banking among banking institutions as well as customers and thus address the concerns that may be leading to the discrepancy between level of technology adoption and usage. This may help banking institutions readdress the technology adoption strategies to be in line with customer taste and preferences. The study recommends possible policy strategies to be undertaken by the government in order to address the challenges. A descriptive case design was used in which banking institutions within Nairobi's Central Business District were the target population. Data was gathered through semi structured questionnaires whose reliability and validity was tested. Analysis of data was done through qualitative and quantitative techniques with help of Statistical Package for Social Sciences. The study findings indicated that mobile phone banking can be said to have transformed the way banking activities are undertaken. This has been through introduction of new products and services that as per these study findings include cash transfers, payment of bills, deposits and account statement inquiries. Though mobile phone banking is faced with myriad of challenges, it does not necessarily imply that banks are turning away from its usage to traditional banking ways. The study recommended that the government should have a clear regulatory framework in order to improve the level of confidence among banking institutions in the new technology. This would increase the level of adoption among customers as well as banking institutions. It is also recommended that banking institutions reconsider investing in risk and compliance functions to save them on major losses. A further study should be undertaken on the mobile phone banking challenges and the subsequent effect on the rate of adoption of mobile banking among customers.

**Academic Year:** 2011/2012

**Project Year:** 2012

**Project Status:** completed

**Project Supervisor:** Ms. Anne Ngugi

**Source URL:** <https://ems.uonbi.ac.ke/node/1325>

## **Links:**

[1] <https://ems.uonbi.ac.ke/node/688>

[2] <http://facebook.com/sharer.php?u=https://ems.uonbi.ac.ke/node/1325&t=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTIONS%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT>

[3] <http://twitter.com/intent/tweet?text=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTIONS%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT&url=https://ems.uonbi.ac.ke/node/1325>

[4] <https://plus.google.com/share?url=https://ems.uonbi.ac.ke/node/1325>

[5] <http://bookmarks.yahoo.com/toolbar/savebm?opener=tb&u=https://ems.uonbi.ac.ke/node/1325&t=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTIONS%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT&d=%0A%09>

[6] <http://www.linkedin.com/shareArticle?url=https://ems.uonbi.ac.ke/node/1325&mini=true&mp;title=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTION%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT&r=0=false&summary=%0A%09&source=>

[7] <http://digg.com/submit?url=https://ems.uonbi.ac.ke/node/1325&title=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTIONS%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT>

[8] <http://www.delicious.com/save?v=5&noui&jump=close&url=https://ems.uonbi.ac.ke/node/1325&title=INFLUENCE+OF+MOBILE+PHONE+BANKING+ON+TRADITIONAL+BANKING+TRANSACTIONS%3B+A+CASE+OF+BANKING+INSTITUTIONS+IN+NAIROBI+CENTRAL+BUSINESS+DISTRICT>