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Date ……………………..

Richard Nyangosi
Information and communication technologies have changed the working of the banking industry in the last few years. The transformation is expected to quicken their pace in the coming years. The trend towards electronic delivery of products and services is dramatically changing in the financial service industry, where the shift is partly as a result of consumer demand but also a ruthless competitive environment. As a result, e-banking which can be termed as a mysterious and dynamic ground, has emerged fast as a medium of providing banking services differently from traditional mortar and brick banks. This is a fresh wave engulfing all areas and need to be explored extensively if the bankers wish to succeed in the modern competitive and ever dynamic financial arena. It is a promising and a powerful medium of which it’s blooming is due.

Perception towards e-banking: A comparative study of India and Kenya is a study that examines the perspectives of customers as well as bankers has towards the use of electronic devices in provision of banking services. It focuses on some vital aspects like challenges experienced by customers and bankers, value attribution to e-banking adaptation and some factors attracting them to adopt and use e-banking systems. It also analyses the current status and trends of e-banking indicators in both India and Kenya. In this study, theoretical framework on emergence and challenges facing electronic banking has been outlined to give a clear conceptualization as regards to perception of e-banking.

The review of literature indicated that, most of the research work in the field undertaken till now has been done in western countries like USA, Europe and fast developing countries. However of recent, studies are available in developing countries as the phenomenon is gaining momentum. It was also revealed that, hardly any comprehensive study has been conducted in India and Kenya to examine the perception of bankers as well as customers towards electronic banking. Though e-banking technologies including internet and the web have a global reach, but the infrastructure, economic and psychological difference occur amongst the countries which are unique for each one of them.
The empirical studies reviewed considered the reasons for the success or failure of bankers in wooing the ‘e’ technologies, the perception of the customers, and their attitude towards electronic banking technologies. Further it was found that the widely accepted various parameter that could be used to study the perception of both bankers and customers which included age, education, designation, occupation and income.

The fact remains that every comprehensive research must have well defined objectives. Hence, this study had five objectives on which it was based. The first objective was to study the growth of e-banking in the two countries. Second, to study customers’ perceptions towards e-banking, third, to study and compare the bankers’ perceptions towards e-banking, fourth, to study the challenges facing e-banking and last objective was to make suggestions based on the finding to improve the future of e-banking and for policy implication.

The objectives of the study required the study of both customers and bankers in order to make a comparative study between India and Kenya. In the present study, database of both primary and secondary sources have been used. The data and information regarding the growth and indicators of e-banking in India and Kenya was collected from secondary source which included periodicals, published annual reports of respective countries’ central banks, and other reports. The data for bankers’ and customers’ perception towards e-banking was collected using well structured and pre-tested questionnaires from both India and Kenya. The sample size for bankers was 225 respondents (150 from India and 75 from Kenya) and 375 respondents (250 and 125 from India and Kenya respectively).

Bankers’ universe comprised senior managers, heads of department, Accountants and other senior executives of different branches of banks. For customers the universe comprised the customers who were e-banking savvy and who had started using at least one e-channel for example, ATM, Tele-banking and others. The analysis was done using statistical techniques like weighted average score, chi-square, ANOVA, Cross-tabulation and percentages.

The findings of the study are presented objective wise, policy recommendations, scope for further research are given in the thesis.

Dated:………..

(Signature of the Researcher)