

**EFFECT OF DIGITAL ADVERTISING ON THE
PERFORMANCE OF COMMERCIAL BANKS IN KENYA**

BONFACE ODERA JALANG'O

**A RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE
AWARD OF THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

2015

DECLARATION

I declare that this research project is my original work and has not been presented for a degree in any other university. All references made to works of other persons have been duly acknowledged.

Signature Date

BONFACE ODERA JALANG'O

D61/63968/2011

This project has been submitted for examination with my approval as the University Supervisor:

Signature Date

MR. MONAYO V.

(Lecturer, Business Administration Department)

DEDICATION

This research project is dedicated to my family for their encouragement, support and understanding my absence while undertaking my research project. For this I say thank you all and God bless.

ACKNOWLEDGEMENTS

I do extend my sincere gratitude to University of Nairobi for according me an opportunity to advance my knowledge and education for the past two years. I am also sincerely appreciative to my supervisor, Mr. Manayo V. for his unending patience and constructive support throughout the period I was putting together this project. My profound appreciation goes to all lecturers and fellow students whose support during the development of the project was unlimited.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v
LIST OF ABBREVIATIONS AND ACRONYMS	ix
ABSTRACT.....	x
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study	1
1.1.1 The Concept of Digital Marketing.....	2
1.1.2 Organizational Performance	4
1.1.3 The Commercial Banks in Kenya.....	5
1.1.4 Digital advertising in the Commercial Banks in Kenya	6
1.2 Research Problem	7
1.3 Research objectives.....	10
1.4 Value of the Study	10
CHAPTER TWO: LITERATURE REVIEW.....	12
2.1 Introduction.....	12
2.2 Theoretical Foundation	12
2.2.1 The Technology Acceptance Model (TAM).....	12
2.2.2 Diffusion of Innovation Theory	13
2.3 Digital Marketing Platforms	14
2.4 The effects of Digital marketing on Organizational Performance.....	17
2.5 The Challenges of Digital Advertising	20
2.6 The effects of Digital marketing on the Performance of commercial banks.	21

CHAPTER THREE: RESEARCH METHODOLOGY	24
3.1 Introduction.....	24
3.2 Research Design.....	24
3.3 Study Population.....	24
3.4 Data Collection	25
3.5 Data Analysis	25
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	26
4.1 Introduction.....	26
4.2 Response Rate.....	26
4.3 General Information of the Respondents	27
4.3.1 Position in the Company	27
4.3.2 Level of Education.....	28
4.3.3 Length of Continuous Service at Commercial Bank	28
4.4 Digital Advertising Platforms Employed by the Commercial Banks in Kenya	29
4.4.1 Bank Use of Digital Advertising Platforms	29
4.4.2 Extent to which the Bank used Digital Marketing Platforms	30
4.4.3 Traditional Advertising Platforms used by the Bank.....	31
4.4.4 Reason for Change from the Traditional Advertising Platforms to Digital Advertising Platforms	32
4.4.5 Digital Advertising Costs.....	33
4.5 Effects of Digital Advertising on the Performance of Commercial Banks in Kenya	34
4.5.1 Reasons for Adopting Digital Marketing Platforms	34
4.5.2 Usage of Digital Marketing on the Marketing Communication Strategy.....	36
4.5.3 Usage of Digital Marketing on the Transaction Strategy	38
4.5.4 Usage of Digital Marketing on the Distribution Strategy.....	39
4.5.5 Effects of Digital Marketing Platforms on Performance Measures in the Bank	41

4.6 Discussion	43
CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS.....	45
5.1 Introduction.....	45
5.2 Summary of the Findings.....	45
5.3 Conclusions.....	47
5.4 Recommendations.....	49
5.5 Areas for Further Research	50
REFERENCES.....	51
APPENDICES	55
APPENDIX I: LETTER OF INTRODUCTION	55
APPENDIX II: QUESTIONNAIRE	56
APPENDIX III: LIST OF COMMERCIAL BANKS	60

LIST OF TABLES

Table 4.1: Response Rate.....	26
Table 4.2: Position in the Company.....	27
Table 4.3: Level of Education.....	28
Table 4.4: Length of Continuous Service at Commercial Bank	28
Table 4.5: Bank Use of Digital Advertising Platforms.....	29
Table 4.6: Extent to which the Bank used Digital Marketing Platforms	30
Table 4.7: Traditional Advertising Platforms used by the Bank	31
Table 4.8: Reason for Change from the Traditional Advertising Platforms to Digital Advertising Platforms	32
Table 4.9: Digital Advertising Costs	33
Table 4.10: Reasons for Adopting Digital Marketing Platforms	35
Table 4.11: Usage of Digital Marketing on the Marketing Communication Strategy	37
Table 4.12: Usage of Digital Marketing on the Transaction Strategy	39
Table 4.13: Usage of Digital Marketing on the Distribution Strategy.....	40
Table 4.14: Effects of Digital Marketing Platforms on Performance Measures in the Bank	42

LIST OF ABBREVIATIONS AND ACRONYMS

TAM	-	Technology Acceptance Theory
CBK	-	Central Bank of Kenya
KBA	-	Kenya Bankers Association
KNBS	-	Kenya National Bureau of Statistics
ICT	-	Information Communication Technology
SEO	-	Search Engine Optimization
CCK	-	Communication Commission of Kenya
ATM	-	Automated Teller Machine
PU	-	Perceived Usefulness
PEOU	-	Perceived Ease of Use
PPC	-	Pay per Click
SEM	-	Search Engine Marketing
TV	-	Television
ROI	-	Return on Investment.

ABSTRACT

The rise of digital advertising has had profound effects on the advertising industry and is shaping the advertising experience. Going forward, the effectiveness and low cost of digital advertising will compel many businesses to rethink the size and makeup of their advertising budgets. The purpose of this study was to determine the effects of digital advertising on the performance of commercial banks in Kenya. The research design employed in this study was a descriptive cross sectional survey design. The target population of this study was drawn from the marketing and communication department of all the 42 commercial banks in Kenya and included the marketing and communication staff (Managers and their assistants) of all the banks. Questionnaires were the main instrument for collecting the primary data from the respondents. The study used quantitative analysis to draw inferences and conclusions from the study. Looking at the extent digital marketing affected the performance measures, the study established that the banks market segment had improved over time under the use of digital advertising. The study also found out that digital advertising significantly affected commercial banks and is moving away from the traditional methods of doing financial transaction. The study further established that most commercial banks were shifting from the traditional advertising platforms such as newspapers, television radio and bill boards to more digital marketing platforms such as website design/development for bank, email marketing for banks, display advertising for banks, use of mobile apps for banks, online advertising and social media. This was promoted by the need to interaction more with customers; reduce the operational costs, increased technology change and the need to align their marketing with the bank's strategic plan. The study concluded that banks market segment had improved over time under the use of digital advertising, the cost of advertising has gone down, the uptake of the banks products has increased, the banks market share has increased, the banks customer base has improved over time, the number of targeted clients reached is higher and the web traffic rate had increased when using digital advertising. The study recommends that the management of commercial banks should increase their investment in digital platforms so as to be in a position to take full advantage of the digital advertising potential as well as increase the performance of commercial banks.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The rapid changes in the cyber world, information resources available through computer networks and the internet, is causing changes in traditional marketing and among consumers (Schware, 2005). Given advancing technology, shifts in consumer consumption patterns and lifestyle, the platforms for communications are apparently becoming more complex. Hence, today's markets illustrate advertising to be radically different from that of past years, where new means and ways coupled with innovative ideas have not only transformed traditional media advertising, but have also transcended to the new media, to gain better reach of the audience. Today, the global advertising foray is evolving from the traditional communications of advertisements to digitally led content advertisements. The industry is seeing new growth that extends beyond traditional revenue streams. This is in regards to the inclusion of the online medium of the Internet or new media, which is taking content to mass audiences using digital media communications channels and devices (Sekaran and Bougie, 2010).

The porter's five forces and technology acceptance model anchors the study. The porters' theory says that competition within an industry is determined by five forces namely; rivalry of industry competitors, threat of new entrants, bargaining power of buyers, bargaining power of suppliers, and the threat of substitute products (Porter, 1980). The theory further says that basing on the strengths or weaknesses of industry players, the competitive position of individual firms is partly determined, the rest of the external threats notwithstanding. The Technology Acceptance Model (TAM) is an

information systems theory that models how users come to accept and use a technology. TAM posits that the intensity of an individual's intention to use a technology can be explained jointly by his or her perception about the technology's usefulness and attitude towards the technology use (Roberts and Barrar, 2012).

Kenya's financial landscape has considerably changed in the recent past and the financial sector has grown in assets, deposits, profitability and products offering. The growth can be attributed to an industry wide branch network expansion strategy, automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional 'off-the-shelf' products. The CBK annual supervision report (2014) noted that increased competition in the sector can be attributed to increased use of internet by the banks to advertise and transact. Digital marketing has been extensively used in the modern day by the banks as they try to position themselves in the competitive markets which have already been invaded by Micro finance institutions, private lenders and shylocks. This technology has encouraged commercial banks to reconsider their internal and external relations and transactions. Therefore, in order to succeed and build for the future, the administrative processes of commercial banks are being transferred to electronic systems.

1.1.1 The Concept of Digital Marketing

Changing media environment requires a thorough understanding of how communication with customers is now negotiated rather than passively received. The change caused by technological improvements during the last years, has dramatically increased customers' market power. The internet and other new digital technologies are not only transforming the practice of marketing but also the way we think about it

(Wymbs 2011). Today, consumers have more choices, more services, more media, more messages, and more digital conversations than ever (Weber 2007). All companies need to better understand, how to do effective marketing communications by utilizing digital possibilities.

Online advertising is a form of promotion that uses the Internet and World Wide Web for the expressed purpose of delivering marketing messages to attract customers. Examples of online advertising include contextual ads that appear on search engine results pages, banner ads, in text ads, Rich Media ads, Social network advertising, online classified advertising, advertising networks and e-mail marketing, including e-mail spam (Solberg, 2000). Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies who help generate and place the advert copy, an ad server which technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser. Over the past years have witnessed a growing connectivity and usage of internet which have greatly affected digital advertising, for instance it is estimated that the number of registered web sites reached 200 million in 2011 (itproportal.com, 2011), and the number of internet users throughout the world was about two billion, 800 million of whom are Asian (Sheehan and Doherty 2001) and in Kenya it is estimated that 21,273,738 have access to internet which is 47.3% of the total population according to CCK statistics of 2013 with 4.8% penetration rate. With the rapid progress in computer-based business, many firms have made the internet part of their advertising media mix to take advantage of online technologies

(Calisir2003).Digital marketing education should be supported by universities to increase the business relevance of marketing in the digital age (Wymbs 2011).

1.1.2 Organizational Performance

Every organization exists to achieve a particular goal. Organizational performance is the final achievement of an organization and contains a few things, such as the existence of certain targets, has a period of time in achieving these targets and the realization of efficiency and effectiveness (Blowfield and Dolan, 2010). Thus, organizational performance refers to ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Koontz and Donnell, 2003). Performance provides the basis for an organization to assess how well it is progressing towards predetermined objectives, identify areas of strength and weakness and decide on the future initiatives with the goal of how to initiate performance improvement (Vanweele, 2006).

Organizational performance includes multiple activities that help in establishing the goals of the organization, and monitor the progress towards the target (Kopczak and Johnson, 2003). It is used to make adjustments to accomplish goals more efficiently and effectively. Organization performance is what business executives and owners are usually frustrated about. This is because even though the employees of the company are hard-working and are busy doing their tasks, their companies are unable to achieve the planned results. Results are achieved more due to unexpected events and good fortune rather than the efforts made by the employees. However, for any business to be successful, functions must be defined and accomplished. It is important for an organization to develop strategies that are designed around the skills that would

enhance the performance of the organization. Organizational performance is affected by myriad factors including: the lines of communication and command connecting these individuals (organizational authority structure and the degree of centralization), the resources and information to which the individuals have access, the nature of the task faced by the individuals, and the type and severity of the crisis under which the individuals operate (Richard and Devinney, 2005).

1.1.3 The Commercial Banks in Kenya

The Commercial Banks in Kenya is governed by the Companies Act, the Banking Act, the Central Bank of Kenya Act and the various prudential guidelines issued by the Central Bank of Kenya (CBK). The banking sector was liberalized in 1995 and exchange controls lifted. The CBK, which falls under the Minister for Finance docket, is responsible for formulating and implementing monetary policy and fostering the liquidity, solvency and proper functioning of the financial system. The banks have come together under the Kenya Bankers Association (KBA), which serves as a lobby for the banking sector's interests. Over the last few years, the Banking sector in Kenya has continued to grow in assets, deposits, profitability and products offering. The growth has been mainly underpinned by; an industry wide branch network expansion strategy both in Kenya and in the East African community region and automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional 'off-the-shelf' banking products. The banking sector in Kenya has embraced changes occurring in Information Technology with most banks having already achieved branchless banking as a result of the adoption of communications options.

According to The Central Bank Annual Supervision report (2003), the increased utilization of modern information and communications technology has for example led to several banks acquiring ATMs as part of their branchless development strategy measures. We have also seen the emergence of agency banking in the banking industry. Due to increased competition banks have put infrastructure in place namely, setting up Customer Service departments and Call Centres to address the needs of the customers. In the case of banks, satisfaction refers to the extent to which banking products and services meet customer needs. The growing demand in access to bank loans have also led to the development of Credit Reference Agency or Credit Bureau which is an organization that collects and collates personal financial data on individuals, from financial institutions with which they have a relationship with. The data is aggregated and the resulting information (in the form of credit reports) is made available on request to contributing companies for the purposes of credit assessment and rating (Wikipedia 2011).

1.1.4 Digital advertising in the Commercial Banks in Kenya

Digital advertising is a current trend in both developed countries and developing nations. In fact, digital advertising is taking banking industry by storm, representing transformational opportunities for banking services. Banks wanting to reap must now focus on integrating digital advertising to their marketing strategies in order to take advantage of the big growth in technologies and a growing middle class. The growth and transformational opportunities that digital advertising offers to the banking sector are enormous. The entire scalability of digital advertising campaign is the primary reason why banks have embraced this trend. Banking sector forms the largest part of our Financial Services portfolio and the Banking Sector Marketing Managers play a

vital role in underpinning the firm's success within it. In Kenya, a 372 per cent jump in Facebook users over the last year (2013), signals the need for banks to start thinking about reaching their customers on the site (Kates, 2013).

Digital advertising Technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector. Days are long gone when customers would queue in the banking halls waiting to pay their utility bills, school fees or any other financial transactions. They can now do this at their convenience by using their ATM cards or over the internet from the comfort of their homes. Additionally due to the tremendous growth of the mobile phone industry most financial institutions have ventured into the untapped opportunity and have partnered with mobile phone network providers to offer banking services to their clients. ATM banking is one of the earliest and widely adopted retail e-banking services (Nyangosi et al. 2009). However, according to an annual report by Central Bank of Kenya its adoption and usage has been surpassed by mobile banking in the last few years (CCK 2008). The suggested reason for this is that many low income earners now have access to mobile phones. A positive aspect of mobile phones is that mobile networks are available in remote areas at a low cost. The poor often have greater familiarity and trust in mobile phone companies than with normal financial institutions.

1.2 Research Problem

In today's dynamic global competitive business environment, technology-based service is no longer an afterthought; rather it is a must for public and private organizations. It has become necessary for organizations to provide their customers with cost-effective total solution and better customer satisfaction with innovative

ideas and methods. Especially with the emergence of Information and Communication Technology (ICT), organizations are forced to shift their operation from the traditional style to e-business, e-advertising, e-procurement, and e-supply chain philosophy in order to sustain themselves (Lee *et al.*, 2011). Today most firms use the internet marketing channel, in addition to their traditional marketing channels such as physical stores and catalogs, to reach their customers. As the proportion of revenue brought in by the internet channel grows, firms increasingly worry about the interaction between the internet channel and traditional marketing channels. With the increasing usage of digital media by consumers and the tendency of more potential users joining the digital age, more commercial banks are using digital marketing to reach their target markets.

The Kenyan banking industry is embracing digital marketing technology with its due advantages. Digital marketing in particular offers the traditional players in the financial services sector the opportunity to add a low cost advertising channel to their numerous platforms. The banking sector plays a significant role in the growth of economies all over the world especially in Kenya. In addition, the banking industry is one of the most profitable in Kenya, however, due to liberalization, globalization, technological advancement and more enlightened customers, it has been faced with several challenges emanating from the operating environment. It is as a result of these challenges that the commercial banks have had to change tact in order to be competitive. The advancement in technology has provided an opportunity for commercial banks to introduce great innovations. The convergence of banking services with electronic technologies means that commercial banks are able to advertise their products with ease and users are able to conduct banking services at any places overcoming challenges of traditional marketing platforms.

Studies that have been undertaken on digital marketing include Were (2011) who undertook a study on the extent of adoption of E-marketing by the large dairies in Kenya. The study established that e-promotion was rated highest in terms of adoption. Advertising and display of promotional material were the attributes of e-promotion that were vastly adopted. Mwarania (2012) researched on Internet marketing adoption and the performance of tour operators in Nairobi, Kenya and established that initial cost of developing a website and maintenance is too high for tour companies; that the organization has supported adoption of internet marketing and this will provide access to global consumer markets as well as growing the market share. Wanjuki (2014) researched on the growth of digital marketing and its impact on customer service at Barclays bank of Kenya, Meru branch. The findings of the study were that Barclays bank uses SEO (Search Engine Optimization), Website design/development for bank and Email marketing as a digital marketing strategy. Mobile apps for banks are importantly used by Barclays bank to enhance its customer service. Nyamamu (2014) undertook a study on the influence of Digital advertising on performance of print media companies in Kenya. The study found out that digital advertising significantly affected print media revenues given that most people are moving away from the traditional methods of buying printed newspapers to reading news online.

S. Kanto (2012) researched on the effect of traditional advertising campaigns on online affiliate channel performance - a case of a leading international hotel booking website. The study found out that offline advertising campaigns have a significant positive effect on the affiliate channel performance when measured by both sales revenue and the number of sales. Tesfaye Nekatibebe (2012) researched on the Impact of Social Media on Traditional Marketing. The study found out that social media has provided an opportunity for everyone to communicate effectively and efficiently in a

way unprecedented by any other media it can be considered as the communication tool of modern era. Eriksson, Kerem, and Nilsson (2010) researched on marketing within internet banking in Latvia: possibilities and challenges in commercial banks. The study established that rapid development of information and communication technologies created possibilities for banks to expend their activities also in electronic environment.

From the above studies undertaken no studies have been done on the effects of digital marketing on traditional advertising platforms as employed by the commercial banks in Kenya. This therefore creates a gap on the effect of digital marketing on traditional advertising platforms used by commercial banks. It is hence against this background that this study is undertaken to fill the knowledge gap by answering the question; what is the effect of digital marketing on the performance of commercial banks in Kenya?

1.3 Research objectives

The studies aim to achieve the following objectives

- i. To establish the common digital advertising platforms employed by the commercial banks in Kenya
- ii. To determine the effects of digital advertising on the performance of commercial banks in Kenya.

1.4 Value of the Study

The understanding of the digital marketing and its effects on traditional advertising platforms will help policy makers, Government, Regulatory bodies and other

stakeholders to design the best communication plans and programs that will actively stimulate the growth and sustainability of the commercial banks in the country, as well as helping those policy makers to support, encourage, and promote the establishment of appropriate policies to guide the firms.

The study findings will benefit management and staff of commercial banks who will gain insight into how their institutions can effectively manage their communication plans and programs. This study will offer an understanding on the effects of digital marketing on the performance of the commercial banks. Several practices on digital advertising and its effects on performance will be discussed for the benefit of the managers. As a result, the banking industry in the country and other affiliated firms will derive great benefit from the study.

The study provides the background information to other researchers and scholars who may want to carry out further research in this area. The study facilitates individual researchers to identify gaps in the current research and carry out research in those areas, the work will also be used by academicians who will want to study similar area and to come up with comprehensive conclusion and reasoning in regard to digital marketing.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter covers the literature on the research area. It covers the theoretical foundation of the study, digital marketing platforms and traditional advertising platforms. The chapter also covers the effects of digital advertising and the challenges of digital advertising.

2.2 Theoretical Foundation

This study anchors on the Technology Acceptance Model (TAM) theory and the diffusion of innovation theory.

2.2.1 The Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) is an information systems theory that models how users come to accept and use a technology. The model suggests that when users are presented with a new technology, a number of factors influence their decision about how and when they will use it, notably: Perceived usefulness (PU) - This was defined by Fred Davis as the degree to which a person believes that using a particular system would enhance his or her job performance; Perceived ease-of-use (PEOU) - Davis defined this as the degree to which a person believes a particular system would be free from effort (Davis 2011). Understanding why people accept or reject computers had proven to be one of the most challenging issues in information systems (Swanson 1988). Szajna (2002) found that the instrument had predictive validity for intent to use, self-reported usage and attitude toward use. The sum of this

research has confirmed the validity of the Davis instrument, and to support its use with different populations of users and different software choices.

User acceptance of technology has been an important field of study for over two decades now. Although many models have been proposed to explain and predict the use of a system, the Technology Acceptance Model has been the only one, which has captured the most attention of the Information Systems community. Thus, it is essential for anyone willing to study user acceptance of technology to have an understanding of the Technology Acceptance Model. This literature review provides a historical overview of the Technology Acceptance Model (TAM) by summarizing the evolution of TAM, its key applications, extensions, limitations, and criticisms from a selective list of published articles on the model. Current observations indicate that although TAM is a highly cited model, researchers share mixed opinions regarding its theoretical assumptions, and practical effectiveness. It is concluded that research in TAM lacks sufficient rigor and relevance that would make it a well-established theory for the IS community.

2.2.2 Diffusion of Innovation Theory

Diffusion is the process by which an innovation is communicated through certain channels over a period of time among the members of a social system. An innovation is an idea, practice, or object that is perceived to be new by an individual or other unit of adoption. Communication is a process in which participants create and share information with one another to reach a mutual understanding (Rogers, 2009). The Innovation-Decision Process Model suggests that the adoption of an innovation is not a single act, but a process that occurs over time. Potential adopters go through five stages when interacting with an innovation. The first stage is knowledge in which

potential adopters find out about an innovation and gain a basic understanding of what it is and how it works. The second stage is persuasion in which potential adopters form a positive or negative impression of the innovation. It is only in the third stage decision, that the innovation is actually adopted or rejected. The fourth stage, implementation, occurs when the innovation is actually used. In the fifth stage, confirmation, the adopter seeks information about the innovation and either continues or discontinues use of the innovation.

2.3 Digital Marketing Platforms

Digital marketing is the process of integrating platforms and customers' experience through a digital channel. Digital marketing offers the prospect of increasing and improving the interactions and relationships with current and prospective customers through, for instance, social networking sites, instant messaging systems and mobile applications. Tuten (2008) further states that social media marketing is a form of online advertisement that is based on social communities and social networks, and that due to the high growth rate of social communities most businesses have started to realize the potential of social media marketing in reaching the larger audience. The advent of online communities has bridged the communication gap between brands and consumers by creating a two-way communication platform. This fact has encouraged the engagement of businesses with their customers through joining the conversation on the social media sphere.

According to Gillin (2010) traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication media to achieve the most effective and competitive communication. Gillin (2010) states that social media has given voice to millions of

ordinary internet users who can now relate their experiences and opinions to a global audience at little or no cost. The scholar further explains that people don't abandon technologies that make it easier for them to communicate. According to him the sooner the marketers dive in and begin experimenting with these new channels, the more successful they will be in the future. This is an indication that the traditional way of sending out marketing messages by itself is no longer able to fulfill its purpose anymore, as consumers are conversing on a wider range of issues, exchanging first-hand experience.

Display advertising refers to banner ads as well as pop-ups and is one of the most common forms of online advertising. This is because banners ads are fairly easy to develop and inexpensive in comparison to traditional advertising (Park and Park, 2010). Search engine optimization (SEO) refers to the optimization of a website's ranking in a search engine's organic (unpaid) search results such as in Google or Yahoo. The website ranking is calculated by each search engine's own algorithm which essentially estimates how useful the website would be based on the keywords that a user has entered in the search query.

Search engine marketing (SEM) on the other hand is a term used for paid advertising in search engines. In SEM firms buy keywords and when a user makes a search query using that keyword, the firm's advert appears next to the search result listings. SEM works on a pay-per-click basis (PPC) which means that firms only pay for their adverts if a user clicks on them. In other words, if the ad appears but the user does not click it, the firm incurs no costs for the advertising. Classifieds, which includes sites that advertise property, recruitment, motoring and other forms of advertising that used to be the preserve of traditional media. In email advertising, firms use email

marketing software's to send mailings to consumers. The recipients of email advertising need to have opted in to receive such emails. Firms also often buy lists of email addresses from third parties that have compiled email address data from for example competitions, surveys or registration to different kinds of services during which the consumer has given consent for the email addresses to be used for marketing purposes.

Social-media marketing includes a wide variety of online-advertising techniques, including placing ads on social-networking sites such as Twitter or Facebook; establishing profiles for companies on Facebook and other sites for children and teens to interact with; and embedding promotional content into Twitter feeds or Facebook posts. As of 2012, three-quarters of all teenagers reported having a profile on a social-networking site, and 22 percent had a Twitter account. Half of all teens visit their social-networking sites daily and a third do so several times a day (Common Sense Media, 2012). Social networking, via popular sites like Facebook, Twitter, Pinterest, LinkedIn and YouTube has evolved from peer-to-peer interactions to becoming a viable relationship building tool for businesses of all sizes (Mrayati, 2014). It is estimated that Facebook users share more than 100 billion connections. In the United States alone, over 150 million users log onto their accounts daily (Rabazinski 2012).

Twitter boasts of 175 million registered users (Kimani 2012). For instance, savvy business owners have taken to Twitter as a tool for both promotions and for answering customer complaints in real-time. YouTube nets 4 billion page views daily and has attracted business owners to this free advertising platform. Moreover, Facebook has now given business owners the flexibility of coupon marketing and special promotions to a wider target audience (Kimani, 2012). Palmer and Koenig-

Lewis, (2009) identified principal categories of social media as detailed below, Blogs which comprise individuals or firms online journals, often combined with audio or video podcasts, Social networks that allow users to build personal web sites accessible to other users for exchange of personal content and communication, Content communities-Web sites organizing and sharing particular types of content, Forums, bulletin boards: Sites for exchanging ideas and information usually around special interests and Content aggregators-Applications allowing users to fully customize the web content they wish to access.

2.4 The effects of Digital marketing on Organizational Performance

It is believed that market attractiveness epitomizes the desire of the firm to be present within a particular marketplace. Such attractiveness is likely to dictate the nature of how and why there is a need to develop and implement viable marketing strategy. As market attractiveness is known to impact firm performance positively (Chandler and Hanks, 1994), it is anticipated that firms are likely to remain in highly attractive markets. Organizations need to understand the drivers that influence the adoption of digital marketing to allow them create solutions and plans to attract consumers to their products and services, hence enable them gain a greater representation in the global industry market (Ghobakhloo *et al.*, 2011). Digital marketing therefore allows organizations a fighting chance for success in the use of local and internal markets. Internet as a marketing tool provides significant opportunities for companies to seek and adopt innovative practices in order to address the increasing demands of consumers (Rafaeli, 2010). The internet allows for fewer data entry errors creating time savings and lower labor costs.

Branding is important in the adoption of digital marketing purposes as well as the availability of adequate security procedures in one's site; this is because any online research and purchasing decisions are made solely based on trust. Inadequate security measures, expertise and financial means to guard against un-authorized access to confidential information by employees and from outsiders and hackers pose a hindrance to digital marketing adoption (Khan, 2007). Mcmillan and Schumaker (2011) noted that digital marketing allows organizations to have better control and feedback from their input as it brought about the capability to compile statistics regarding the viewing of the posted adverts on daily as well as hourly basis. It enables one to view the exposure time of the client on an advert hence track the effectiveness of the advert. Marketers today are able to identify and satisfy consumer needs and preferences through monitoring of websites visitations either on email, online surveys and chat rooms. Internet provides an opportunity to the businesses to get immediate and impulsive responses of the consumers through the marketing surveys and polls conducted online or via email.

Wind and Rangaswamy (2011) noted that one of the most valuable benefits of using digital marketing is its capacity to offer consumers a personalized relationship personalization has also been shown to increase the level of loyalty a consumer holds toward a retailer. Online recommendations are one way to personalize a relationship. Online recommendations range from personal reviews from other customers to personalized recommendations provided by recommender engines or systems. Recommender systems are information sources that provide personalized information to consumers (Ansari, Essegaiier, and Kohli 2010). These systems use an information filtering technique in order to formulate product recommendations that are most likely to be of interest to the user. Marketers will benefit from providing

recommendations to online consumers, especially if the source is providing personalized recommendations. Consumers focus more on the recommendation source itself than on the type of website on which the recommendation appears (Senecal and Nantel 2004). According to Senecal and Nantel (2004), people who consult online product reviews purchased the recommended products twice as often as people who do not consult reviews.

Gummesson, (2008) reported that website managers perceived the Web to be a cost effective means of advertising, well-suited for conveying information, precipitating action, and creating brand/product image, awareness and objectives. However, it was seen as ineffective for stimulating emotions or getting attention. In their empirical study on the adoption of advanced Internet based marketing operations by Swedish firms, Bengtsson et al. (2007) explain that basic use of the Internet includes online presentation of the firm, its products and services and simple information exchange via email.

Matikiti et al. (2012) in a study on usage of internet marketing in the hospitality sector found that the hospitality sector in South Africa had been making use of internet marketing techniques, with many hotels developing websites for marketing purposes. Given the well-recognized value of Internet marketing in the hospitality industry, the impact of Internet marketing on the profitability of the hospitality sector in South Africa was examined to establish factors which influence Internet marketing usage. Outcomes of this research indicated that the use of Internet marketing positively influenced business profitability and those factors such as technological competence, managerial support, level of star grading and alliances significantly influenced Internet marketing usage in the hospitality sector.

2.5 The Challenges of Digital Advertising

The most significant challenge for digital media advertising in 2015 will continue to be dealing with the operational issues that need to be addressed as more advertising moves through programmatic channels. Publishers need to understand how to get the greatest yield from this channel of demand while evolving custom programs that can deliver value and performance beyond what can be bought and sold on the open market—with enough scale to make it worth the marketers' time to consider. Marketers need to master the tech stack and techniques required to get real value from programmatic buying but not become so consumed by the complexities that they miss out on other digital advertising opportunities that can offer greater value (Kissebert 2015).

Costs are becoming a major factor underlying variations in ICT diffusion. (Arusha 2014). According to Pilat & Derlin (2004) the direct costs of ICT equipment and telecommunication services have significantly affected the ICT diffusion, even for wealthy countries. Although it is widely accepted that the benefits of ICT is rapidly growing and becoming a major backbone for national economics everywhere, rural ICT centers are facing major challenges at infrastructural development, economic stability and social inequalities (Rathberger and Adera 2000).

Gender and culture-in Africa and elsewhere around the world has been found to affect the adoption of digital advertng there exist a strong correlation between gender and internet use, this being partly the result of females' low access to education in the developing countries (Aluzoma 2005). As shown by many studies, family socialization of girls and women influences attitude towards education as well as towards computers and internet use (Rajagopal and Bojin 2003). Thus the male

dominance in the social and economic sphere is transferred into the sphere of technologies contributing to marginalize women as active participants in development. In turn poor access to ICTs isolates women from sources of information that could be helpful to them (Aruasa 2014).

Access issues- lack of adequate ICT infrastructure has hinder provision of resourceful and inexpensive ICT services (Aruasa 2014). ICT services are limited to a few major towns leaving our rural areas of the country where most Kenyans live (Ministry of Information and communication, 2006). Alzouma (2005) also point out the inequality between social groups and between the males and females parallel the difference between the 'have' and the 'have-not' and between literate and illiterate people.

Content and language issues-ICT content should help local people interact in their own cultures through their own language. In this context the issue of language takes on particular importance since English and European languages largely dominate as internet languages (Gunkel 2000). Aluzoma (2005) also points out that the problem of access linked to illiteracy is doubled by the use of foreign languages.

2.6 The effects of Digital marketing on the Performance of commercial banks.

Furst et al. (2000) found that banks in all size categories offering Internet banking were generally more profitable and tended to rely less heavily on traditional banking activities in comparison to non-Internet banks. Using information drawn from banks in Italy, Hasan et al. (2002) found that the Internet banking institutions were performing significantly better than the non-Internet groups.

The emerging marketing techniques using social media have enabled both customers and banks to be more effective and productive in receiving and providing service. Through self-service technologies, customers can now serve themselves more effectively reducing banks' operational costs that otherwise eat into their revenue. Social media has resulted in the potential for reaching out to customers around the globe in ways not possible when, in the not-so-distant past, services were limited to local provision (Mutero 2014).

Fournier and Avery (2011) found that in sales, the hunt is always on for the next deal, and social networks provide a rich prospecting resource. This has given Social media an ability to boost brand awareness; encourage people to try products/services which might eventually lead to more sales returns especially when the campaign happens to go viral (Barwise and Meehan, 2010). Social media allows firms' sales persons to see what prospect customers are saying about their brand and competitors (Kotler and Armstrong, 2011). Evans and McKee (2010) argue that social media promises significant benefits for sales organizations by providing them with new ways to find, connect with, and understand their customers.

According to Levitt (2006), customers are assets that need to be acquired before they can be managed for profit. Customer acquisition is hugely important to companies in many contexts: for new business start-ups, when entering new geographic or customer market segments, when launching a new product, when exploiting new applications for an existing product or service, when marketing low involvement products and services, when repeat purchases are infrequent, and when switching costs are low. Solis and Li (2013) advise that when done correctly, social media listening can provide early risk indicators and mitigate the impact of crises when they

do occur. Socially connected consumers can also avail community intelligence to identify and deal with fraud and phishing attacks. The key use of digital marketing is its ability to enable the banks reach and interact with its current clients as well as potential. It does not need to be expensive to reach online customers effectively (Kates and Matthew, 2013).

The key use of digital marketing is its ability to enable the banks reach and interact with its current clients as well as potential. It does not need to be expensive to reach online customers effectively (Kates and Matthew, 2013). This also allows them improve their products and services from the feedback given. Performance of banks is paramount for their success today. Success of business is gained through increased sales and acquisition of a market share from other competing firms. Internet marketing allows banks to formulate strategies that can enable them enhance their performance. Evans (2009) noted that digital marketing enables a direct reaction from users towards the advertising companies (Perez-Latre 2009). It can even be ‘one-to-one communication’. Moreover, direct actions (purchasing actions) by users are possible which is in particular attractive for companies with e-commerce activities. Another crucial aspect is the costs for digital marketing. Especially in comparison to newspapers, digital marketing represents a cheaper method ad rates for online marketing are lower than for newspaper advertising (Perez-Latre 2009).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides a discussion of the outline of the research methodology that was used in this study. It focuses on the research design, data collection methods and comes to a conclusion with the data analysis and data presentation methods that were used in this study.

3.2 Research Design

This study employed a descriptive cross sectional survey design. The design was used to gather information on a population at a single point in time. This study was about determining the effect of digital advertising on traditional advertising as employed by the commercial banks in Kenya. It was therefore justified that cross-sectional surveys was most suited in this study. Cross sectional survey are based on a single examination of a cross-section of population at one point in time. Additionally, high reliability is easy to obtain by presenting all subjects with a standardized stimulus which ensures that observer subjectivity is greatly eliminated (Mugenda and Mugenda, 1999). In this type of research study, either the entire population or a subset thereof is selected, and from these individuals, data are collected to help answer research questions of interest (Kothari, 2004).

3.3 Study Population

The population of the study was the marketing and communication department of all the commercial banks in Kenya. Where the study respondents were the marketing and communication staff (Managers and their assistants) of all the banks. According to

the CBK, there were 42 commercial banks operating in Kenya as at 31st December 2014 (Appendix III). This formed the population of the study. Since the number of the target population is small, and then the study will be a census.

3.4 Data Collection

A questionnaire was the primary instrument for collecting the primary data from the respondents. The questions were both closed and open ended. The structured questions were used in an effort to conserve time and money as well as to facilitate an easier analysis as they are in immediate usable form; while the unstructured questions were used so as to encourage the respondent to give an in-depth and felt response without feeling held back in revealing of any information. The researcher adopted a drop and pick method where the instruments were dropped in the morning and were collected after having been completed by the respondents. Secondary data will be collected from the industry periodicals and individual banks' magazines.

3.5 Data Analysis

The data was analyzed by use of descriptive statistics to summarize and relate the variables that were collected from administered questionnaires. The data was classified, tabulated and summarized using descriptive measures such as mean, percentages, and frequency distribution tables while tables and graphs were used for presentation of findings. However before final analysis is performed data will be cleaned to eliminate discrepancies and thereafter classified on the basis of similarity and then tabulated.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter focused on data analysis, interpretation and presentation. The purpose of this study is to find out the effect of digital advertising on the performance of commercial banks in Kenya. The objectives of the study are to establish the common digital advertising platforms employed by the commercial banks in Kenya and to determine the effects of digital advertising on the performance of commercial banks in Kenya. Data generated from this research was mainly quantitative. Quantitative data was presented in form of frequencies, means, modes and percentages. Presentation was done using tables for effective communication.

4.2 Response Rate

The researcher sought to establish the response rate in this section.

Table 4.1: Response Rate

Category	Frequency	Percentage
Responded	56	66.7
Did not respond	28	33.3
Total	84	100.0

The study targeted a sample size of 84 respondents from which 56 filled in and returned the questionnaires making a response rate of 66.7%. This response rate was

satisfactory to make conclusions for the study. The response rate was representative. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was considered to be good.

4.3 General Information of the Respondents

The study sought to determine the respondents' position in the company, highest level of education and the length of continuous service with the commercial bank.

4.3.1 Position in the Company

In this section the researcher sought to establish positions held by the respondents in their respective banks. Their responses are highlighted in Table 4.2.

Table 4.2: Position in the Company (n=56)

Category	Frequency	Percentage
Marketing manager	34	60.7
Assistant marketing manager	15	26.8
Marketing officer	7	12.5

From the Table 4.2, 60.7% of the respondents were marketing managers, 26.8% of the respondents were assistant marketing manager and 12.5% of the respondents were marketing officers.

4.3.2 Level of Education

In this section the researcher sought to establish the highest level of education qualification of the respondents. Their responses are highlighted in Table 4.3.

Table 4.3: Level of Education (n=56)

Category	Frequency	Percentage
Post graduate level	29	51.8
University	27	48.2
Tertiary college	0	.0
Secondary education	0	.0

From the Table 4.3, 51.8% of the respondents had post graduate level of education while 48.2% of the respondents had university level of education.

4.3.3 Length of Continuous Service at Commercial Bank

In this section the researcher sought to establish the respondents' length of continuous service with the commercial bank. Their responses are highlighted in Table 4.4.

Table 4.4: Length of Continuous Service at Commercial Bank (n=56)

Category	Frequency	Percentage
Less than 5 years	32	57.1
5 to 10 years	19	33.9
Over 10 years	5	8.9

From the Table 4.4, 57.1% of the respondents had worked in the commercial bank for less than five years, 33.9% of the respondents had worked in the commercial bank for 5 to 10 years and 8.9% of the respondents had worked in the commercial bank for over 10 years.

4.4 Digital Advertising Platforms Employed by the Commercial Banks in Kenya

In this section the researcher sought to address the first objective that looked to establish the common digital advertising platforms employed by the commercial banks in Kenya. The issues addressed in this section included if the bank employs any digital advertising platforms and the extent to which the bank used digital marketing platforms, the traditional advertising platforms used by banks, reason for change from the traditional advertising platforms to digital advertising platforms and the percentage of digital advertising cost from the overall advertising budget.

4.4.1 Bank Use of Digital Advertising Platforms

In this section the researcher sought to establish if the banks employ any digital advertising platforms. Their responses are highlighted in Table 4.5.

Table 4.5: Bank Use of Digital Advertising Platforms (n=56)

Category	Frequency	Percentage
Yes	56	100.0
No	0	.0

From the Table 4.5, all the respondents indicated that indeed they employ the use of digital advertising platforms.

4.4.2 Extent to which the Bank used Digital Marketing Platforms

In this section the researcher sought to establish the extent to which the bank used the various digital marketing platforms using a likert scale of 1 to 5 with 1 being strongly not at all, 2 being small extent, 3 moderate extent, 4 being great extent and 5 being strongly very great extent. Their responses are highlighted below. Mean (weighted average) and standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a great use on while as those with a mean less than 3.0 were rated as having a least use. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are highlighted in Table 4.6.

Table 4.6: Extent to which the Bank used Digital Marketing Platforms (n=32)

Statement	Mean	S.D
Website design/development for bank	4.21	1.071
Email marketing for banks	4.06	1.220
Display advertising for banks	3.68	.230
Mobile apps for banks	3.19	.610
Social media	3.01	.577
Online advertising	3.11	.875

From the Table 4.6, all the proposed digital marketing platforms were ranked highly since they present a mean score higher than the mid-point (3) of the five point Likert scale. Starting with those rated highly to the lowest based on the extent of use by the bank, the researcher found out that website design/development for bank (M=4.21, S.D=1.071), email marketing for banks (M=4.06, S.D=1.220), display advertising for banks (M=3.68, S.D=0.230), mobile apps for banks (M=3.19, S.D=0.610), online advertising (M=3.11, S.D=0.875) and social media (M=3.01, S.D=0.577) were largely used for digital marketing.

4.4.3 Traditional Advertising Platforms used by the Bank

In this section the researcher sought to establish before the digital advertising platforms that the bank is using today, which traditional advertising platforms the bank was using. Their responses are highlighted in Table 4.7.

Table 4.7: Traditional Advertising Platforms used by the Bank

(n=56)*

Category	Frequency	Percentage
Television	39	28.9
Radio	34	25.2
Newspaper	41	30.4
Bill boards	21	15.6

*Multiple response question dichotomous at 1

From the Table 4.5, 30.4% of the respondents indicated that the bank used newspapers as a traditional advertising platform, 28.9% of the respondents indicated that the bank used television, 25.2% of the respondents indicated that the bank used radio and 15.6% of the respondents indicated that the bank used bill boards.

4.4.4 Reason for Change from the Traditional Advertising Platforms to Digital Advertising Platforms

In this section the researcher sought to establish why the bank had changed from the traditional advertising platforms to digital advertising platforms. Their responses are highlighted in Table 4.8.

Table 4.8: Reason for Change from the Traditional Advertising Platforms to Digital Advertising Platforms (n=56)*

Category	Frequency	Percentage
Costs	51	28.3
Technology change	48	26.7
Banks strategic plan	27	15.0
Interaction with customers	54	30.0

*Multiple response question dichotomous at 1

From the Table 4.8, 30.0% of the respondents indicated that the reason they changed from the traditional advertising platforms to digital advertising platforms was because they wanted more interaction with customers, 28.3% of the respondents indicated the reason for the change was because of costs, 26.7% of the

respondents indicated the reason for the change was because technology change and 15.0% of the respondents indicated the reason for the change was because they want to align the marketing with the bank’s strategic plan.

4.4.5 Digital Advertising Costs

In this section the researcher sought to establish what percentage does digital advertising cost account for in the overall advertising budget. Their responses are highlighted in Table 4.9.

Table 4.9: Digital Advertising Costs (n=56)

Category	Frequency	Percentage
Under 5%	9	16.1
5 to 10 %	22	39.3
10 to 20%	17	30.4
Over 20%	8	14.3

From the Table 4.9, 39.3% of the respondents indicated that digital advertising costs accounted for 5 to 10% in the overall advertising budget, 30.4% of the respondents indicated that digital advertising costs accounted for 10 to 20% in the overall advertising budget, 16.1% of the respondents indicated that digital advertising costs accounted for under 5% in the overall advertising budget and 14.3% of the respondents indicated that digital advertising costs accounted for over 20% in the overall advertising budget.

4.5 Effects of Digital Advertising on the Performance of Commercial Banks in Kenya

In this section the researcher sought to address the second objective that looked to determine the effects of digital advertising on the performance of commercial banks in Kenya. The issues addressed in this section included the reason for adopting digital marketing platforms and the various usage of digital marketing in the bank.

4.5.1 Reasons for Adopting Digital Marketing Platforms

In this section the researcher sought to establish the extent to which they agree with the statements on digital marketing platforms using a likert scale of 1 to 5 with 1 being strongly not at all, 2 being small extent, 3 moderate extent, 4 being great extent and 5 being strongly very great extent. Their responses are highlighted below. Mean (weighted average) and standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a great use on while as those with a mean less than 3.0 were rated as having a least use. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are highlighted in Table 4.10.

Table 4.10: Reasons for Adopting Digital Marketing Platforms

(n=32)

Statement	Mean	S.D
Due to the high growth rate of social communities most businesses have started to realize the potential of social media marketing in reaching the larger audience.	3.77	.853
The sooner the marketers dive in and begin experimenting the Digital marketing Platforms, the more successful they will be in the future	3.61	.784
Digital advertising Technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector.	3.34	.575
Traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication media to achieve the most effective and competitive communication	3.45	.500

From the Table 4.6, all the proposed reasons for the adopting of digital marketing platforms were ranked highly since they present a mean score higher than the mid-point (3) of the five point Likert scale. The researcher found out that due to the high growth rate of social communities most businesses have started to realize the potential of social media marketing in reaching the larger audience (M=3.77, S.D=0.853), the sooner the marketers dive in and begin experimenting the Digital marketing Platforms, the more successful they will be in the future (M=3.61, S.D=0.784), traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication

media to achieve the most effective and competitive communication (M=3.45, S.D=0.500) and digital advertising Technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector (M=3.34, S.D=0.575).

4.5.2 Usage of Digital Marketing on the Marketing Communication

Strategy

In this section the researcher asked the respondents to rate the statements on the usage of digital marketing on the marketing communication strategies using a likert scale of 1 to 5 with 1 being strongly disagree, 2 being disagree, 3 being neutral, 4 being agree and 5 being strongly agree. Their responses are highlighted below. Mean (weighted average) and standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a strong influence on while as those with a mean less than 3.0 were rated as having a least influence. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are indicated in table 4.11.

Table 4.11: Usage of Digital Marketing on the Marketing Communication Strategy (n=32)

Statement	Mean	S.D
There is improved product information	3.74	.486
It results in improved price information	3.51	.124
There is availability of service	3.11	.521
It reduces cost of communication	3.93	.124
It results in quick response of inquiries	3.29	1.425
It enables customers to have online technical support	2.97	.456
It results in increased efficiency	2.76	.575
Availability of service, 24 hours a day, 7 days a week	3.84	.486
Internet marketing adoption will allow the bank to communicate with international customers	3.21	.741

From the Table 4.11, the responses that rated highly on the usage of digital marketing on the marketing communication strategy indicated it had reduced the cost of communication (M=3.93, S.D=0.124), made it possible for availability of service, 24 hours a day, 7 days a week (M=3.84, S.D=0.486), improved product information (M=3.74, S.D=0.486), resulted in improved price information (M=3.51, S.D=0.124), internet marketing adoption had allow the bank to communicate with international customers (M=3.21, S.D=0.741) and there was availability of service (M=3.11, S.D=0.521). The response that rated low were it enabled customers have online

technical support (M=2.97, S.D=0.456) and it had resulted in increased efficiency (M=2.76, S.D=0.575).

4.5.3 Usage of Digital Marketing on the Transaction Strategy

In this section the researcher asked the respondents to rate the statements on usage of digital marketing on the transaction strategy using a likert scale of 1 to 5 with 1 being strongly disagree, 2 being disagree, 3 being neutral, 4 being agree and 5 being strongly agree. Their responses are highlighted below. Mean (weighted average) and standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a strong influence on while as those with a mean less than 3.0 were rated as having a least influence. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are indicated Table 4.12.

Table 4.12: Usage of Digital Marketing on the Transaction Strategy
(n=32)

Statement	Mean	S.D
Digital marketing reduces human errors	4.06	.254
There is reduction on procurement cycle time	3.78	.693
It enables the bank to maintain lower inventory level	3.10	.757
It enables the bank to customize promotion	3.30	.508
It results in flexible pricing	3.77	.853
Lower cost of transaction is achieved through digital marketing	3.17	.460

From the Table 4.12, the responses that rated highly on the usage of digital marketing on the transaction strategy indicated that digital marketing reduces human errors (M=4.06, S.D=0.254), there was a reduction on procurement cycle time (M=3.78, S.D=0.693), it resulted in flexible pricing (M=3.77, S.D=0.853), it enabled the bank to customize promotion (M=3.30, S.D=0.508), lower cost of transaction was achieved through digital marketing (M=3.17, S.D=0.460) and it enabled the bank to maintain lower inventory level (M=3.10, S.D=0.757).

4.5.4 Usage of Digital Marketing on the Distribution Strategy

In this section the researcher asked the respondents to rate the statements on usage of digital marketing on the distribution strategy using a likert scale of 1 to 5 with 1 being strongly disagree, 2 being disagree, 3 being neutral, 4 being agree and 5 being strongly agree. Their responses are highlighted below. Mean (weighted average) and

standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a strong influence on while as those with a mean less than 3.0 were rated as having a least influence. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are indicated in Table 4.13.

Table 4.13: Usage of Digital Marketing on the Distribution Strategy (n=32)

Statement	Mean	S.D
Reduced waiting time to receive product for digital products/services	3.68	.520
Lower cost of delivery for digital products/services	4.10	.446
Allow customers to track transactions	3.72	.465
It enables the bank reduce the number of customer service representatives	3.55	.521

From the Table 4.13, the responses that rated highly on the usage of digital marketing on the distribution strategy indicated that it had lowered the cost of delivery for digital products/services (M=4.10, S.D=0.446), allowed customers to track transactions (M=3.72, S.D=0.465), reduced waiting time to receive product for digital products/services (M=3.68, S.D=0.520) and it enables the bank reduce the number of customer service representatives (M=3.55, S.D=0.521)

4.5.5 Effects of Digital Marketing Platforms on Performance

Measures in the Bank

In this section the researcher asked the respondents to rate the statements on the extent digital marketing affected the following performance measures in your bank using a likert scale of 1 to 5 with 1 being not at all, 2 being small extent, 3 moderate extent, 4 being great extent and 5 being strongly very great extent. Their responses are highlighted below. Mean (weighted average) and standard deviation were used to analyze the data. From the findings, those statements with a mean greater than 3.0 were rated to as having a great use on while as those with a mean less than 3.0 were rated as having a least use. On the same note the higher the standard deviation the higher the level of dispersion among the respondents. Their responses are highlighted in Table 4.14.

Table 4.14: Effects of Digital Marketing Platforms on Performance Measures in the Bank (n=32)

Statement	Mean	S.D
The cost of advertising has gone down with the use of digital marketing in comparison to when traditional platforms were being used.	3.80	.826
The number of targeted clients reached is higher when using digital advertising	3.37	.588
The banks market share has increased with the use of digital advertising	3.40	.575
The web traffic rate has increased	3.24	.745
The uptake of the banks products has increased under the use of digital advertig	3.61	.626
The banks market segment has improved over time under the use of digital advertising	4.12	.784
The banks customer base has improved over time	3.38	.674

From the Table 4.14, all the proposed statements on the extent digital marketing affected the performance measures were ranked high since they presents a mean score higher than the mid-point (3) of the five point Likert scale. The researcher noted that the banks market segment had improved over time under the use of digital advertising (M=4.12, S.D=0.784), the cost of advertising has gone down with the use of digital marketing in comparison to when traditional platforms were being used (M=80, S.D=0.826), the uptake of the banks products has increased under the use of digital advertig (M=3.61, S.D=0.626), the banks market share has increased with the use of

digital advertising (M=3.40, S.D=0.575), the banks customer base has improved over time (M=3.38, S.D=0.674), the number of targeted clients reached was higher when using digital advertising (M=3.37, S.D=0.588) and the web traffic rate had increased (M=3.24, S.D=0.745).

4.6 Discussion

The study sought to establish the common digital advertising platforms employed by the commercial banks in Kenya and the effects of digital advertising on the performance of commercial banks in Kenya. The study established that most commercial banks were shifting from the traditional advertising platforms such as newspapers, television radio and bill boards to more digital marketing platforms such as website design/development for bank, email marketing for banks, display advertising for banks, use of mobile apps for banks, online advertising and social media. This was promoted by the need to interaction more with customers; reduce the operational costs, increased technology change and the need to align their marketing with the bank's strategic plan. Nonetheless, the digital advertising costs accounted for only 5 to 10% in the overall advertising budget only for most banks.

It was important to note that the reasons for the adopting of digital marketing platforms were due to the high growth rate of social communities and the potential of social media marketing in reaching the larger audience, the necessity for businesses to stay successful in the future, the increased need for more effective and collaborative communication and the advancements in technology have had a major role in improving the standards of service delivery in the financial institution sector. The use of digital marketing on the marketing communication strategy was noted to have greatly reduced the communication costs and made it possible for a 24/7 service

availability. Product information and improved communication with international customer had greatly affected the communication marketing strategy.

The use of digital marketing on the transaction strategy had resulted into a reduction in human errors, increased customized promotions, lower transaction costs and lower inventory levels. Its effect on the distribution strategy had resulted in lowered cost of delivery of digital products and services, ease in customer tracking their transactions, reduced time wasted to receive product for digital products/services and the banks had profited from reduce the number of customer service representatives. In light of this, digital marketing was noted to have numerous advantages to the commercial banks and consequently improve their performance.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of findings, conclusions drawn from the findings and recommendations made to. The conclusions and recommendations drawn were focused on addressing the purpose of this study which was to establish the effect of digital advertising on the performance of commercial banks in Kenya.

5.2 Summary of the Findings

The first objective looked at the digital advertising platforms employed by the commercial banks in Kenya. It was evident from the study that all the banks indicated that they employ the use of digital advertising platforms. The study further established that website design/development for bank (M=4.21, S.D=1.071), email marketing for banks (M=4.06, S.D=1.220), display advertising for banks (M=3.68, S.D=0.230), mobile apps for banks (M=3.19, S.D=0.610), online advertising (M=3.11, S.D=0.875) and social media (M=3.01, S.D=0.577) were largely used for digital marketing. The traditional advertising platform previously used by banks were newspapers (30.4%), television (28.9%), radio (25.2%) and bill boards (15.6%). 30.0% of the respondents indicated that the reason they changed from the traditional advertising platforms to digital advertising platforms was because they wanted more interaction with customers, cost implications (28.3%), technology changes (26.7%) and 15.0% of the respondents indicated the reason for the change was because they want to align the marketing with the bank's strategic plan. 39.3% of the respondents indicated that digital advertising costs accounted for 5 to 10% in the overall advertising budget,

30.4% of the respondents indicated that digital advertising costs accounted for 10 to 20% in the overall advertising budget, 16.1% of the respondents indicated that digital advertising costs accounted for under 5% in the overall advertising budget and 14.3% of the respondents indicated that digital advertising costs accounted for over 20% in the overall advertising budget.

The second objective sought to determine the effects of digital advertising on the performance of commercial banks in Kenya. It was evident from the study that the reasons for the adopting of digital marketing platforms were because there was a high growth rate of social communities and most businesses had started to realize the potential of social media marketing in reaching the larger audience (M=3.77, S.D=0.853), the sooner the marketers dive in and begin experimenting the Digital marketing Platforms, the more successful they will be in the future (M=3.61, S.D=0.784), traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication media to achieve the most effective and competitive communication (M=3.45, S.D=0.500) and digital advertising technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector (M=3.34, S.D=0.575).

On the usage of digital marketing on the marketing communication strategy it was evident that indicated it had reduced the cost of communication (M=3.93, S.D=0.124), made it possible for availability of service, 24 hours a day, 7 days a week (M=3.84, S.D=0.486), improved product information (M=3.74, S.D=0.486), resulted in improved price information (M=3.51, S.D=0.124), internet marketing adoption had allow the bank to communicate with international customers (M=3.21, S.D=0.741)

and there was availability of service (M=3.11, S.D=0.521). The use of usage of digital marketing on the transaction strategy had resulted into a reduction on procurement cycle time (M=3.78, S.D=0.693), flexible pricing (M=3.77, S.D=0.853), enabled the bank to customize promotion (M=3.30, S.D=0.508), lower cost of transaction was achieved through digital marketing (M=3.17, S.D=0.460) and enabled the bank to maintain lower inventory level (M=3.10, S.D=0.757). The usage of digital marketing on the distribution strategy indicated that it had lowered the cost of delivery for digital products/services (M=4.10, S.D=0.446), allowed customers to track transactions (M=3.72, S.D=0.465), reduced waiting time to receive product for digital products/services (M=3.68, S.D=0.520) and it enables the bank reduce the number of customer service representatives (M=3.55, S.D=0.521).

Looking at the extent digital marketing affected the performance measures, the study established that the banks market segment had improved over time under the use of digital advertising (M=4.12, S.D=0.784), the cost of advertising has gone down with the use of digital marketing in comparison to when traditional platforms were being used (M=80, S.D=0.826), the uptake of the banks products has increased under the use of digital advertng (M=3.61, S.D=0.626), the banks market share has increased with the use of digital advertising (M=3.40, S.D=0.575), the banks customer base has improved over time (M=3.38, S.D=0.674), the number of targeted clients reached was higher when using digital advertising (M=3.37, S.D=0.588) and the web traffic rate had increased (M=3.24, S.D=0.745).

5.3 Conclusions

The study concludes digital advertising significantly affects the commercial banks given that most people are moving away from the traditional methods of conducting

bank transactions and queuing. There is also the increased utilization of modern information and communications technology worldwide alongside with increased competition among banks that has necessitated the adoption of digital advertising platform for them to maintain or even further increase their profit margins. Use of digital advertising platforms could significantly generate revenues for commercial banks and thus merits serious consideration from the management of commercial banks as a major revenue source and further grow their profit margins.

The study further concludes that the internet is the main digital platform adopted most commercial banks as the digital advertising platform as it provides a communication platform on which digital content can be delivered to a wide population. However, there is an increased use of website design/development for bank, email marketing for banks, display advertising for banks, use of mobile apps for banks, online advertising and social media largely used for digital marketing that could have a huge impact on the performance of the commercial banks since digital advertising platform is likely to be the next frontier for business competition owing to its numerous benefits.

The study also concludes that regular advertising was critical for commercial banks in the wake of increased competition, technological changes, need for more interaction with customers, to reduce operation costs and increase profits, building up awareness and breaking through the consumer's selection process. In addition, regular advertising in the digital platforms provided an impetus to consumer action and thus helped in reaching out to new consumers. Hence, it was more helpful for the commercial banks to advertise regularly in digital platforms than to have a one-time expensive advertising extravaganza.

The study further concludes that digital advertising provided numerous benefits to the commercial banks among them being; increased speeds in information dissemination, closer proximity and interaction with the customers, increased flexibility in information dissemination, increased audiences and quick feedbacks on the quality of service delivered by the commercial banks. Digital advertising had a wider customer reach than traditional advertising. Thus, digital advertising afforded the commercial banks access to a greater customer base.

The study concludes that banks market segment had improved over time under the use of digital advertising, the cost of advertising has gone down with the use of digital marketing in comparison to when traditional platforms were being used, the uptake of the banks products has increased under the use of digital advertising, the banks market share has increased with the use of digital advertising, the banks customer base has improved over time, the number of targeted clients reached was higher when using digital advertising and the web traffic rate had increased.

5.4 Recommendations

The study recommends that given that the traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication media to achieve the most effective and competitive communication, management should increase their investment in digital platforms so as to be in a position to take full advantage of the digital advertising potential.

Digital advertising technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector and given that the

high cost of acquiring the digital facilities and the lack of adequate IT infrastructure could act as a challenge to the adoption of digital advertising in Kenya, the study recommends that the government through the relevant ministries has to increase its investment in laying of the fiber optic cable so as to provide the necessary IT infrastructure that would reduce the costs associated with the adoption of the digital advertising platforms by the commercial banks.

Due to the high growth rate of social communities most businesses ought to realize the potential of social media marketing in reaching the larger audience. The study recommends that the sooner the marketers dive in and begin experimenting in the Digital marketing Platforms, the more successful they will be in the future. The use of digital communication platforms are important to commercial banks so as increase their visibility and increase their customer base.

5.5 Areas for Further Research

The study explored the influence of digital advertising on performance of commercial banks in Kenya; the study recommends that that similar study should be done in other industries other than commercial banks to check if there will be a variance in the results. Further researcher could be done to investigate whether digital marketing could lead to sustainable competitive advantage and business performance of commercial banks.

REFERENCES

- Applegate, D., Halborg, A. and Ross, C. (2012). Introduction. *Marketing: principles and practice* (4th Ed.) Prentice Hall
- Commissions Commission of Kenya (CCK), (2008), *Annual report 2007-2008*, Communications Commission of Kenya, Nairobi. Available at: www.cck.go.ke (accessed in April 2015).
- Common Sense Media. (2012), Consumers in control, *Marketing Week*, 31 (140, 29-30).
- Davis (2011).Evolving to a new dominant logic for marketing. *Journal of Marketing* 68 (January), 11-23
- Drucker, P. (1985). Innovation and Entrepreneurship, *MIT Sloan Management Review*, spring.
- Edmund, H., (2013) The digitization of word of mouth: Promise and challenges of online feedback mechanisms. *Management Science*, 49(10), 1407-1424.
- Gillin, R. (2010). Social media as crisis platform: The future of community maps/crisis maps. *ACM Trans. Intelligent Sysem. Technology.*, (31 January, 2012)
- Hubburd, G. (2009). *Measuring Organizational Performance: Beyond the Triple Bottom-Line*. Business Strategy and the Enviroment. Prentice Hall,
- Kates, M. (2004), *Consumer Behaviour*, 2nd Ed. New Delhi: London, New Age International Limited.
- Kendall, P. (2004). Kenya ICT Strategy: Collaboration and Outsourcing for Economic Growth
- Khan, M. (2014), *Consumer Behaviour*, 2nd Ed. New Delhi: New Age International

- Kimani B. (2012), When social media does the marketing. *Management magazine*, March 2012 issue. 36 – 37
- Kotler, P. (2012). *Marketing Management (14ed.)* Pearson Education Limited
- Lee, T., Barayre, C., Fondeur, S. & Stanyukora, L. (2009). United Nations Information Economic Report 2009: Trends and outlook in Turbulent Times 2009. 47-51.
- Lubinski, E. (2001), A trust model for consumer Internet shopping, *International Journal of Electronic Commerce*, 6 (1), 75-91
- McDonald, H & Adam, S. (2003), A comparison of online and postal data collection methods in marketing research, *Marketing Intelligence & Planning*, 21 (2), 85 – 95
- Mwarania S. (2012) Accessing your account from abroad and Internet banking. Kenya Club Annual Banks survey for Kenyans abroad.
- Nyamamu (2014) The role of multichannel integration in customer relationship management. *Industrial Marketing Management* 33, 527 – 538.
- Nyangosi, M.N., Waema, T.M. & Mitullah, W.V. (2009), Factors influencing usage of new technologies in low-income households in Kenya: the case of Nairobi, *Info*, 14 (4), 52 – 64
- Palmer, A & Koenig-Lewis, A. (2009), An experiential, social network-based approach to direct marketing, *Direct Marketing: An International Journal*, 3 (3), 162 – 176
- Park, B., Ahn, S.K. & Park, H.J. (2010), Blogging: mediating impacts of flow on motivational behavior, *Journal of Research in Interactive Marketing*, 4 (1), 6-29.

- Rabazinski, C. (2012) The Importance of integrating social media marketing, available at <http://www.business2community.com/social-media/the-importanceof-integrating-social-media-marketing-0171531> (accessed on 01.05.2015)
- Rogers, K. (2009), *Understanding digital marketing: marketing strategies for engaging the digital generation*, London, Kogan Page
- Samiee, S. (2010a) "The Internet and international marketing: is there a fit?" *Journal of Interactive Marketing*, 12 (4), 5-21.
- Sashi, C.M. (2012), Customer engagement, buyer-seller relationships, and social media, *Management Decision*, 50 (2), 253 – 272
- Schmitt, S. (1999), The Internet and international marketing: is there a fit? *Journal of Interactive Marketing*, 12 (4), 5-21.
- Schware, R. (2005). *E-development: From Excitement to Effectiveness*. World Bank.
- Singh, S. (2010). *Digital Divide in India: Measurement, Determinants and Policy for Addressing the Challenges in Bridging the Digital Divide*, Page 2-5.
- Solberg, C.A. (2000), Educator insights: standardization or adaptation of the international marketing mix: the role of the local subsidiary/representative, *Journal of International Marketing*, 8 (1), 78-98.
- Swanson, K. (2008), Virtual worlds in development: implications of social networking sites, *Journal of Applied Developmental Psychology*, 29 (6), 417-9.
- Szajna, A.M. (2002), I told you so! Restaurants' customers' word-of-mouth communication patterns, *Cornell Hospitality Quarterly*, 43 (2), 75- 85.
- Tuten, J. (2008). *Marketing and Social Media: Everyone's Social (Already)*. *Customer Relationship Management magazine*. June 2009 Issue.

- Wanjuki (2014) *The interaction between digital marketing communication and customer loyalty*. Helsinki: Helsinki School of Economics.
- Were, P. (2011) Investing in ICTs in Educational Institutions in Developing Countries: An Evaluation of their Impact in Kenya, *International Journal of Education and Development using ICT3*, 1.
- Wymbs. (2011) "Disentangling Behavioral Intention and Behavioral Expectation," *Journal of Experimental Social Psychology* (21:3), 1985, 213-228.

APPENDICES

APPENDIX I: LETTER OF INTRODUCTION



UNIVERSITY OF NAIROBI SCHOOL OF BUSINESS MBA PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 3019
Nairobi, Kenya

DATE 22/09/2015

TO WHOM IT MAY CONCERN


The bearer of this letter Bonface Odera Jalango
Registration No. D 611 63968/2011

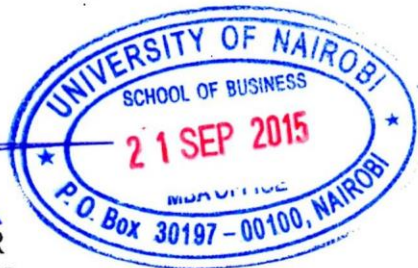
is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS



APPENDIX II: QUESTIONNAIRE

1. What is your position in the company?

2. What is your highest level of education qualification?

a) Post graduate level () b) University ()

c) Tertiary College () d) Secondary ()

3. Length of continuous service with the commercial bank?

a) Less than five years ()

b) 5-10 years ()

c) Over 10 years ()

4. Does your bank employ any digital advertising platforms?

Yes []

No []

5. To what extent has your bank used the following digital marketing platforms? Use 1-Not at all, 2-Small extent, 3-Moderate extent, 4-Great extent and 5-Very great extent.

Digital marketing platforms	1	2	3	4	5
Website design/development for bank					
Email marketing for banks					
Display advertising for banks					
Mobile apps for banks					
Social media					
Online advertising					

6. Before the digital advertising platforms that the bank is using today, which traditional advertising platforms was the bank using?

.....

7. Why did your bank change from the traditional advertising platforms to digital advertising platforms?

.....

8. What percentage does digital advertising cost account for in the overall advertising budget?

- a) Under 5% [] b) 5 – 10 % []
 c) 10 – 20 % [] c) Over 20% []

9. To what extent do you agree with the following statements on Digital marketing Platforms. Use a scale of 1-5 where 1= to no extent at all.5= very great extent

Digital marketing platforms	1	2	3	4	5
Due to the high growth rate of social communities most businesses have started to realize the potential of social media marketing in reaching the larger audience.					
The sooner the marketers dive in and begin experimenting the Digital marketing Platforms, the more successful they will be in the future					
Digital advertising Technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector.					
Traditional one-to-many way of sending marketing messages to potential customers is no longer enough and should be complemented by collaborative communication media to achieve the most effective and competitive communication					

10. To what extent do you agree with the following statements on the usage of digital marketing by your bank? Use 1-Strongly disagree, 2-Disagree, 3-Moderate extent, 4-Agree and 5-Strongly disagree.

Marketing Communication strategy	1	2	3	4	5
There is improved product information					
It results in improved price information					
There is availability of service					
It reduces cost of communication					
It results in quick response of inquiries					
It enables customers to have online technical support					
It results in increased efficiency					
Availability of service, 24 hours a day, 7 days a week					
Internet marketing adoption will allow the bank to communicate with international customers					
Transaction Strategy					
Digital marketing reduces human errors					
There is reduction on procurement cycle time					
It enables the bank to maintain lower inventory level					
It enables the bank to customize promotion					
It results in flexible pricing					
Lower cost of transaction is achieved through digital marketing					
Distribution strategy					
Reduced waiting time to receive product for digital products/services					
Lower cost of delivery for digital products/services					
Allow customers to track transactions					
It enables the bank reduce the number of customer service representatives					

- 11.** To what extent has digital marketing affected the following performance measures in your bank? Use 1-Not at all, 2-Small extent, 3-Moderate extent, 4-Great extent and 5-Very great extent.

Performance indicators	1	2	3	4	5
The cost of advertising has gone down with the use of digital marketing in comparison to when traditional platforms was being used.					
The number of targeted clients reached is higher when using digital advertising					
The banks market share has increased with the use of digital advertising					
The web traffic rate has increased					
The uptake of the banks products has increased under the use of digital advertig					
The banks market segment has improved over time under the use of digital advertising					
The banks customer base has improved over time					

THANK YOU FOR YOUR PARTICIPATION

APPENDIX III: LIST OF COMMERCIAL BANKS

1.	ABC Bank (Kenya)
2.	Bank of Africa
3.	Bank of Baroda
4.	Bank of India
5.	Barclays Bank
6.	CFC Stanbic Bank
7.	Chase Bank (Kenya)
8.	Citibank
9.	Commercial Bank of Africa
10.	Consolidated Bank of Kenya
11.	Cooperative Bank of Kenya
12.	Credit Bank
13.	Development Bank of Kenya
14.	Diamond Trust Bank
15.	Dubai Bank Kenya
16.	Ecobank
17.	Equatorial Commercial Bank
18.	Equity Bank
19.	Family Bank
20.	Fidelity Commercial Bank Limited
21.	GT Bank
22.	First Community Bank
23.	Giro Commercial Bank
24.	Guardian Bank
25.	Gulf African Bank
26.	Habib Bank
27.	Habib Bank AG Zurich
28.	I&M Bank

29.	Imperial Bank Kenya
30.	Jamii Bora Bank
31.	Kenya Commercial Bank
32.	K-Rep Bank
33.	Middle East Bank Kenya
34.	National Bank of Kenya
35.	NIC Bank
36.	Oriental Commercial Bank
37.	Paramount Universal Bank
38.	Prime Bank (Kenya)
39.	Standard Chartered Kenya
40.	Trans National Bank Kenya
41.	United Bank for Africa ^[2]
42.	Victoria Commercial Bank

Source: Central Bank of Kenya (2014)