

# **The Impact of Fintech on Traditional Banking System in Kiambu County, Kenya**

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**Abstract:** *The objective of this study is to investigate the effect of FinTech on traditional banking system in Thika Sub-county, Kiambu County in Kenya. The study has employed analytical research design collecting primary data through structured questionnaire on a sample of 28 respondents from Thika town in Kiambu County, Kenya. It has been discovered that FinTech adoption is driven by the widespread mobile phone usage and increased financial literacy with a proportion of a third on frequent usage with the majority engaged on FinTech due to convenience, even though still ATM services exists among the users of financial technology. Its evident that there is lower usage rate which could be attributed to technical hitches on the side of use of the technology. Thus impacted banking financial transactions to a third on its integration which could in the future necessitates the sector to incorporate Artificial Intelligence in order to better its accessibility and simplicity on the use of technology. The study recommends that for the purpose of achieving a modern banking systems in Kenya should prioritize accessibility and simplicity which shall fast-track mobile and online platforms by providing 24/7 access and allow customers to manage their finances easily. In the wake of artificial intelligence and cloud computing commercial banks should revolutionize banking system through personalized recommendation, fraud detection and enhanced security and agility in the banking industry.*

**Keywords:** FinTech, Traditional banking systems, Digital transformation

