

ABSTRACT

Internet banking has contributed greatly to commercial bank of Africa's profits and has also resulted in increased deposits and customer base in the Bank. Canada is one of the world leaders of Internet Banking with a 65% adoption rate, followed by Netherlands (61%). United Kingdom and United states are at 52% and 45% respectively while Kenya is at below 40% adoption rate. Several studies have shown mixed relationships between various variables to internet banking but none has narrowed down to the factors influencing its adoption. The adoption rate is still very low despite the high rate of internet access and them that have adopted Internet banking rarely use it. As a result, long queues are still evident in the Kenyan banking halls. Therefore this study will establish the factors influencing adoption of internet banking in commercial bank of Africa. Specifically the study will establish the role of self-efficacy, security, technological advancement and complexity in adoption of internet banking. Independent variables will be Computer Self –efficacy, the complexity of the technology, security and technological advancement while dependent variable will be adoption of Internet banking. The study will be anchored on Rogers's innovation diffusion theory. Descriptive survey research design will be used. The Target population will consist of 650 employees, 174 corporate customers and 4,176 retail customers. The sample size of 10 % on each category will be 65 employees, 17 corporate customers and 417 retail customers. Random sampling technique will be adopted. Primary data will be collected through structured questionnaires. Data analysis will be through descriptive analysis mean, mode standard deviation and inferential analysis regression will be used. The study will be significant to the Bank managers who will then decide whether it is worthwhile to substitute traditional banking with internet banking or not. In addition, to the researchers and academicians, the study may be used as a local reference on internet banking for future research.