FINANCIAL TECHNOLOGY AND CREDIT USAGE AMONG SMALL AND MEDIUM ENTERPRISES IN KISUMU CENTRAL BUSINESS DISTRICT, KENYA

BY

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A RESEARCH PROJECT PRESENTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE IN MASTER OF BUSINESS ADMINISTRATION AT THE UNIVERSITY OF NAIROBI

NOVEMBER, 2020

DECLARATION

I declare that this research project is my original work and that it has never been submitted for award of any degree in any other institution of higher learning.

Sign……..... Date…….

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D61/10719/2018

I hereby confirm that this project was prepared and presented to the University of Nairobi for examination by Billmartin Okeyo Abbott under my supervision.

Sign……. Date ……...

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DEDICATION

I devote this research work to my dear wife who had consistently been a wellspring of motivation and with her supportive words of encouragement to embrace my higher education which has enabled me to confront the encounters of life with energy, excitement and fear of God.

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At last, my genuine gratitude goes to all the research assistants, employees of SMEs in Kisumu CBD, plus any other individual who have bolstered me to finish the research work in amicable way. May God Bless you all!

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LIST OF ABBREVIATION/ACRONYMS

CBD : Central Business District

CRB : Credit Reference Bureau

FinTech : Financial Technology

FSD : Financial Services Deepening

GDP : Gross Domestic Product

KES : Kenya Shilling

SACCO : Savings and Credit Cooperatives

SMEs : Small and Medium Enterprises

TRA : Theory of Reasoned Action

UTAUT : Unified Theory of Acceptance and Use of Technology

ABSTRACT

FinTech is one of the new technologies of financial innovations and solutions which are fueling financial accessibility especially in the businesses of developing countries. Therefore, this has led to growth in consumer demand for digital financial services as innovations in the financial sector continue to advance. However, the emergence of FinTech usage has been received both as an opportunity for businesses and as a threat to other lending institutions like banks, and microfinance institutions among others. Digital credit consumers have been faced with many challenges including late repayment and loan defaulter due to lack of transparency in the repayment period and the high amount of interest charged. This study therefore sought to address the issue of financial technology and credit usage among small and medium enterprises in Kisumu central business district in Kenya. The current research was guided by three theories namely: transaction cost theory, the theory of reasoned action as well as the unified theory of acceptance and use of technology. This research used descriptive research design. It targeted all the 6,688 SMEs registered to operate in the CBD of Kisumu as at December, 2019 from which sample size of 100 SMEs was picked. This study gathered primary data through use of a questionnaire. The collected data was then analyzed through use of descriptive and inferential statistics. The findings indicated that amount of credit requested from digital lenders affected credit usage significantly. Moreover, number of branches/agents of FinTech available were also found to be a strong determinant of credit usage among the SMEs operating in Kisumu CBD. On opposite, the results showed that number of subscriptions and amount remitted do not have significant effect on credit usage. The SMEs are therefore, advised to adopt and use FinTech in order to enhance their credit usage in business operations.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Trends in Financial Technology (FinTech) are shaping the business environment, revamping the operation models, redefining the client rules and driving other investment activities at the same time ensuring customer experience across mobile, internet and cloud channels and safeguarding customer transactions and customer sensitive information across the divide (Rao, Saxena & Bagchi, 2016). FinTech is one of the new technologies of financial innovations and solutions which are fueling financial accessibility especially in the businesses of developing countries (Demirguc-Kunt, *et al.,* 2015). The benefit of accessing to credit offered through FinTech together with its usage has attracted most of the customers and therefore increasing its acceptability around the globe (Ntwiga, 2019). Kenya has embraced the digital revolution and seen widespread usage of digital solutions in various sectors including commerce, transport, communication, finance and banking (Central Bank, 2018). However, access to credit still remains a challenge in Kenya, especially those in businesses and this subject has continued to dominate discussion both within business cycle and at the corridor of various governments (Juma, 2017).

The present research used the transaction cost theory developed by Williamson (1979). This is the main model which the study used in predicting the relationship between FinTech and credit usage. The theory of reasoned action by Ajzen and Fishbein, (1969) was as well applied in the prediction of the process of implementation of financial systems, and usage of credit accessed through financial technology. The theory helped in

predicting SME's intention to use a given FinTech and use it to access to finance based on the individuals' attitude and their normative beliefs. The study shall also be anchor on the Unified Theory of Acceptance and Use of Technology (UTAUT) pioneered by Venkatesh, et. al. (2003). This enabled the study to predict the application and use of technology in different areas of operations of a given business entity in respect to credit usage. The theory further helped in prediction of usage expectance, effort expectance, social influence and facilitating conditions that directly influences the utilization of credit accessed through financial technology (Mutlu & Der, 2017).

Emerging financial technology and innovations in traditional business models can take advantage of Kenya's rapidly digitizing economy to expand SMEs' access to credit in Kisumu Central Business District (CBD) through several complementary improvements (World Bank, 2018). Kenyan SMEs play important roles in the socio-economic development of the country. Its importance has been realized in terms of contribution towards economic growth, employment creation, poverty reduction and development of an industrial base (Juma, 2017). Kenya has also been recognized as a world leader when it comes to the evolution and progression of mobile money as well as digital credit which depends on the platform of the mobile money infrastructure.

1.1.1 Financial Technology

FinTech or financial technology refers to the use of technological concepts on offering financial solutions to business organizations (Arner, Barberis, & Buckley, 2015). Luka and Frank (2012) defined Fintech as an alternative way of accessing credit with a clear understanding of the associated risk and establishment of a trust in the new system. According to Hwang and Tellez (2016), FinTech can be defined based on loan eligibility

which is enabled by several digital platforms readily available on the market based on digital data provided by their clients towards evaluation of the customers' eligibility. An automated loan decision can be spearheaded by the development of online applications which enable users to process loans via cell phones. Leeladhar (2005) further defined financial technology as the delivery of banking services digitally and at affordable cost. This study shall adopt the definition of Luka and Frank (2012) together with that of Hwang and Tellez (2016); since it sought to establish the relationship between FinTech and credit usage.

FinTech is experiencing high rate of growth which is a win-win situation for both the businesses and their customers (Coad & Rao, 2008). This calls for better integrated ways of dealing with the challenges simply because the benefits are far higher than the challenges. This technology has offered the consumers with more channels of accessing credit and in some cases leading to customer over indebtedness (Ryan, Trumbull & Tufano, 2010). Demertzis, Merler and Wolff (2017) posited that "consumers have rapidly become accustomed to requesting and making purchases with a touch of their finger wherever they may be, receiving tailored recommendations, choosing customized products, and enjoying delivery of almost any item directly to their front door." FinTech has enabled customers to access banking services directly from their phones at their comfort where majority of the small businesses have shunned other lending institutions since they can access loans directly from their phones without collaterals (Nakaso, 2016).

FinTech has been measured differently by various researchers. For instance, Singh and Roy (2015) measured dimensions of FinTech through data collection based on amount of credit requested, remittances made, insurances coverage, and deposits reserved in banks

being prerequisites in opening of bank accounts. Talal (2019) measured FinTech based on the number of branches/agents, number of subscriptions as well as amount transacted on annual based technology. Ntwiga (2019) measured FinTech by number of customers opened accounts at a financial institution or through a mobile money provider.

1.1.2 Credit Usage

Credit usage refers to the amount of credit used in comparison to how much credit extended by a lender (Singh & Roy, 2015). Ganotis (2020) defined credit usage as a ratio that lenders use to determine individual's creditworthiness as a factor of determining his/her credit score. According to Michael (2020), "credit usage is a ratio of the total available credit that a person has, including credit cards, auto and student loans, mortgages, home equity loans, or other debt. Lenders look at a scoring model that uses fewer lines of customers' credit, such as credit cards only." The usage of the credit channeled through FinTech technology among the small businesses had led to ease, flexible and efficiency in business operations (Nakaso, 2016).

Technological expansion has come about with many features in terms of creativity and innovations in businesses that assist them grow their customer base and remain competitive (Singh, 2018). Credit usage determinants like consumers' trust, their attitude on cost, source of financial advice, financial literacy, source of financial advice, and socio-economic characteristics tend to affect credit usage among the digital requesters (Ntwiga, 2019). The recent rapid emergence of financial technology in the businesses across the world has drawn interest on the relevance of its usage considering the countless benefits experienced, such as ease and speed of operations in service delivery, while some are not, they are concerned about the associated and anticipated risks (Ishmel,

Onyeiwu & Owopetu, 2018). Credit accessibility makes it easy for the household, business as well as personal spending to take place in many developing countries (Watkins, 2000).

According to Bankrate (2020) “credit usage can be measured by the amount of credit you have used compared with how much credit you have been extended by a lender.” Triki and Faye (2013) also indicated that credit usage is measure by all elements which make formal financial services easily accessible, readily available and affordable to all population groups in any given country. Credit usage can be measured based on three important dimensions or elements which include accessibility to banking services, accessibility to timely and affordable credit and accessibility to financial literacy programs that informs people about a healthy financial life (FinAccess, 2019). Ganotis (2018) measured credit usage as a ratio of total credit balance divide by total credit limit a certain FinTech can offer to a customer. Sengupta (2012) highlighted aspects of user information such as marital status, age, level of education, financial literacy as well as amount of credit offered as credit usage.

1.1.3 SMEs in Kisumu Central Business District

Kisumu city is one of the Kenyan cities. It is located in Nyanza region in the County of Kisumu which has approximately 1,155,574 people (Kenya National Census, 2019). The city is governed by the county government of Kisumu. It is also assumed that most of its residents have smart phones hence have the tool for access to most of the digital money offered by many readily available financial technologies. With many financial services providers and financial accessibility should be a priority to developing nations like Kenya since it is part of the greatest innovation being experienced in the financial sector

currently at the market. This has been characterized by rapid and advanced technological changes, new diversified services and different forms of business transactions that includes payments and money transfer with the mobile money platforms like Mpesa, Airtel Money and Eazy Money, has made it easier for small business owners to transact appropriately (Musau, Muathe, & Mwangi, 2018).

There is an emerging trend in digital financial service in Kenya based on scalable and innovative business models that targets the most difficult unbanked communities. This is done through creation of new payment methods, new ways of livelihood and new access method to capital goods and productive assets. This has also seen the development of inclusive models that serves the low-income earners (AFI, 2017). According to a report by World Bank (2018), the importance of credit accessibility and usage is increasingly being recognized by many SMEs around the globe. These small loans are short-term but are slightly more expensive in terms of interest as compared to normal bank loans which require some collateral. It ensures customer relations, which leads to monitoring of loan repayment or collections being managed remotely. Organization for Economic Co-operation and Development (OECD) (2015) indicated that SMEs tend to improve in business performance upon embracing the new wave of use of credit transacted through FinTech in their businesses unlike the traditional facilities such as Savings and Credit Cooperatives (SACCO), banks, hire purchase service providers, shylocks, self-help groups and table banking arrangements between groups with a common interest like families, neighbors, church groups and among workmates.

It is argued that FinTech has a role to play in offering financial services to consumers especially in businesses ranging from lending, asset management, and consumer payment

where they were found to attract an investments margin of about $19.1 billion in the year 2015 followed by an addition of $17.8 billion in just the third quarter of the year 2016 (KPMG, 2016). Based on statistics of value transacted, it was reported that a total of Kshs. 4.0 trillion was exchanged via mobile money in the year 2018, this was equivalent to about 45.3% of the Kenya's GDP (Central Bank of Kenya Report, 2018). This has enabled customers to access financial services directly from their phones at their comfort where majority of the small businesses have shunned other lending institutions since they can access loans directly from their phones without collaterals (Financial Access Survey, 2012).

1.2 Research Problem

The demand for digital financial services has been on the rise calling for advancement in innovations and creativity within the financial sector. However, the emergence of FinTech usage has been received both as an opportunity for businesses and as a threat to other lending institutions like banks, and microfinance institutions among others (Nakaso, 2016). Credit accessibility and its usage in particular, tend to be at its peak of the economic activities and this technology has brought about growth challenges in various nations which has in turn led to changes in the operations of businesses (Blancher, et. al., 2019). Digital credit consumers have been faced with many challenges including late repayment and loan defaulter due to lack of transparency in the repayment period and the amount of interest charged (Kaffenberger, Totolo, & Soursourian, 2018). Schicks (2011) indicated that the concept of FinTech credit is a challenge in its own making in that, while it's convenient for the customer, its highly risky business to the banks and other

financial providers. It also comes with other challenges including the over pricing and blatant disregard to customer privacy.

Due to higher interest charges put on digital loans, customers are suffering from psychological stress, treats and harassments, shame of being listed on Credit Reference Bureau (CRB), and sometimes insults and loosing of one's belongings to the lenders (Totolo, 2018). Based on a household survey conducted by FinAccess (2019) in conjunction with the Kenyan National Bureau of Statistics, Central Bank of Kenya, together with FSD Kenya, revealed that about 82.9% of the adult population in Kisumu county were able to access to at least one financial product, however, despite the increase in the number of credit agents/agencies who are capacity to lend so as to help in the growth of SMEs, greater number of digital consumers encountered debt distress due to lack of guidance from the government on ways of requesting in sustainable way. This has led to the Kenya's Credit Reference Bureau (CRB) blacklisting about 2.7 million people who were unable to repay their loans as little as KES 200.

A study by Singh and Roy (2015) established that financial accessibility envisages the importance of having an inclusive financial system for the social and economic development of a country. Another research done Blancher, et. al (2019) revealed that financial accessibility of small and medium-sized enterprises in the Middle East and Central Asia can facilitate greater SME financial usage, including by supporting the supply of bank credit. Toronto Research Centre (2019) established that FinTech-enabled financial services poses some risks to users which include risks to consumer protection, greater exposure to cyber-attacks, risks to data privacy as well as security. Buchak, Matvos, Piskorski and Seru (2017) found out that the recent development in FinTech had

changed the performance of businesses in the three categories namely: new products, new production processes, new banking services and structures.

Obayo and Oloko (2015) discovered that core strategic players in the mobile-credit such as phone-service provider, the lender and the regulator were responsible for enhancing publicity in the usage of their products so as to demystify any complexities met by consumers in accessing financial services. Kemboi (2018) established that usage of internet banking, online banking, mobile banking and agency banking was found to affect SMEs' performance negatively and some business owners were unable to pay back loans taken for business. Sengupta (2012) discovered that credit usage of user attributes such as marital status, age of loan consumers, education level, financial literacy as well as amount were able to affect financial inclusion.

The reviewed literature showed that credit accessibility through use of FinTech have impacted users/consumers both positively and negatively. Some evidences have shown that SMEs using FinTech had improved their businesses (Nakaso, 2016; Buchak, Matvos, Piskorski & Seru, 2017; FinAccess, 2019) while others have indicated that it had come along with many shortfalls (Schicks, 2011; Toronto Research Centre, 2019; Totolo, 2018; Kaffenberger, Totolo, & Soursourian, 2018). This created an indication that there was lack of consensus on credit usage gotten through financial technology in businesses.

It is therefore due to these shortcomings that this research sought to answer the question that "What impact does financial technology have on credit usage among small and medium enterprises in Kisumu Central Business District (CBD), Kenya?

1.3 Research Objective

To establish the influence of financial technology on credit usage among small and medium enterprises in Kisumu CBD, Kenya

1.4 Value of the Study

The research has contributed to the current theoretical foundation of the study in relation to the concepts of FinTech and credit accessibility and usage. The study therefore focused toward putting to light the consumer protection and put an emphasis to its usage and application since lack of consumer protection has led to over indebtedness, and unfair payment practices. For any business to grow there must be a clear understanding of the environment in which they operate and the new environment into which they want to venture.

The managers of small and medium enterprises operating in Kisumu City can effectively follow and apply the recommendations made in this study in order to increase their credit usage. Most users heavily consume loans from financial technology without knowing the effects of their actions. With the usage of the policies, the consumer and the loan provider are protected from exploitation or loss of their money respectively.

The findings of this study can enable the financial regulators to come up with policies of curbing these threats and ways of managing the technological features. The research is beneficial to academicians since it has contributed to the existing knowledge for the policy makers on FinTech and regulators. The findings are also instrumental to the Central Bank of Kenya and other financial controllers in strategic planning and policy formulation. It can further help the policy makers to have different oversight levels, as well as different requirements for product and services offered across digital credit providers.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter gives an analysis of theories that informed the current research. The chapter as well gives a review of literature on the subject under study. It further provides a summary of empirical studies based on investigations previously carried out by researchers in relation to the variables under study, and their respective findings. Ultimately, the chapter provides the conceptual model formulated from literature.

2.2 Theoretical Review

2.2.1 Transaction Cost Theory

The theory of transaction cost developed by Williamson (1979) is said to be an alternative mode of unifying governance structures of transactions like hybrids, firms, markets, and bureaus which help in minimizing transactional costs. According to the work of Williamson (1979, 1986) transaction cost theory states that "the optimum organizational structure is one that achieves economic efficiency by minimizing the costs of exchange." The suggestion indicated in this theory is that every kind of transaction made has to produce cost of coordinating, managing, controlling, as well as monitoring transactions.

Gitonga (2003) suggested that financial innovation can be useful in tackling the two critical challenges experienced in developing countries by financial intermediation: namely the high risks and the high costs. Williamson (1979) further explained transaction cost in broader perspective as the costs incurred in running an economic system of a

given firm. He also argued that "such costs are to be distinguished from production costs and that a decision-maker can make a choice to use a firm structure or source from the market by comparing transaction costs with internal production costs." Therefore, cost is mainly the key factor of such decisions made.

This is the main model which the study which the study used in predicting the relationship between FinTech and credit usage. This study was guided by this theory because according to Nyathira (2012), "while relying on variable costs as opposed to fixed costs, digital lenders allow customers who undertake small and few transactions to be viable and compared to conventional banking channels." Financial innovation is motivated by the desire to reduce transactional costs leading to an improvement in the delivery of financial services. The theory can predict major reasons for why an SME in Kisumu can choose a given financial technology put into consideration the desire of making profits through reduction of transaction costs.

2.2.2 The Theory of Reasoned Action (TRA)

The establishment of this theory was by Ajzen and Fishbein in the year 1975. This theory precisely predicts the adoption, implementation and acceptability of technology. The theory can be further supported by Ajzen and Fishbein (1980) work where they acknowledged that financial inclusivity and predatory lending are among the major beliefs of the mobile users have towards technology, requesting, repayment as well as customer data privacy. This enables potential digital consumers to evaluate a particular digital service on offer and at the same time being evaluated on the platform usage, and the two concepts explains the attitude of the users towards digital credit revolution.

The model was therefore used in predicting the intent of performance behavior in relation to individuals' attitude and normative beliefs (Southey, 2011). However, credit usage and the conditions of service providers and preconditions that explains well the normative beliefs and the motivations tend to be individual's decision. All this will further explain the reason of the actions that digital loans consumers will take either to request money using the digital platforms or to get other services provided by the digital platforms or not (Jeffrey, 2015).

Thus, this research shall benefit from this theory in prediction of why SMEs make decisions to take certain actions or not. Decisions to request online or not are crucial to every business and there is a reason behind every action or planned behavior in regard to this. With the theory, issues concerning attitudes and beliefs are given great attention. Digital service providers can as well use this theory to predict the attitude and the motivation towards their performance before they provide the service to them. The decisions are guided by the beliefs, evaluation, attitudes, motivation, intentions and the actual behavior.

2.2.3 The Unified Theory of Acceptance and Use of Technology (UTAUT)

The "unified theory of acceptance and use of technology" which was pioneered by Venkatesh, et. al. in the year 2003, focuses on the application and use of technology in various areas of operation within a particular business entity. This theory predicts the facilitation of conditions, effort expectance, social influence and performance expectance that directly influences the adoption and use of technology in business entities (Mutlu & Der, 2017). Performance is influenced by the behavior and intention to use the

technology. With a positive attitude and intention to use leads to a motivated behavior hence positively improving the performance (Attuquayefio & Addo, 2014).

The perceived behavioral control and compatibility, network accessibility, and other devices like mobile phones, computers etc. can influence the speed, adoption and implementation of digital credit (Davis, 1989). Facilitating condition; which is the environment where the technology is to be used, should support inventions and innovations for growth or improvement in that organization. However, the availability of infrastructure and other facilities will have a direct influence on the adoption and use of technology (Attuquayefio & Addo, 2014). Social influence represents the degree of users of the system, clients and the management have a perceived benefit or importance of the technology to them. It's believed that for one to remain relevant or to be relevant in the market, then, current market technology has to be highly embraced (Mutlu & Der, 2017). This will include the subjective norms on the use of technology, social factors and the image portrayed by the available technology. The credit accessibility including long registration procedures from some of the digital credit platforms, requiring lots of information makes it complicated for most people to access digital credit

On the level of effort expectance, the researcher is interested with the perceived usage of FinTech, and credit usage as an advantage of digital credit, how the technology has made requesting accessible and its impact on the consumers' undertakings. This theory facilitates a user-friendliness of a technology which can be easy to use hence influencing the effort towards the use of the technology and with growth of digital requesting; clients can access credit or loans by a click of a button, from the comfort of their palms. Perceived ease of use, complexity of the system and ease of use are the determinants of

one's effort on the use of digital technology. The research therefore focused on the complexity of the system, its security and the effort of the user and whether this helped in ensuring limited access to loans to avoid the risk of over indebtedness and loan default.

2.3 FinTechs and Credit Usage

Digital credit revolution has been in existence for a decade now attracting many clients than the traditional banks. With the mobile phone access to services, digital credit is serving a lot of clients as compared to the banks, reaching people in the remote parts of the village where normal banks cannot offer unsecured loans with reasonable interest rate (Biscaye, Callaway, Greenaway, Lunchick-Seymour, & McDonald, 2017). It's evident from Financial Services Deepening (FSD) report of 2018 that most of the mobile users have taken digital loans in either M-Shwari, KCB-Mpesa, Tala, Branch or M-Coop Cash. The percentage of the digital requesters is also high, at 60% in Kenya (Kaffenberger, Totolo, & Soursourian, 2018). Due to availability of mobile loans, uptake of credit in Kenya has been rising.

Digital credit revolution has brought everybody on board, the poor and the rich, marginalized communities, the unemployed and unbanked population with alternative ways of accessing loans both formal and informal loans. This has led to tremendous growth in other financial services like the Fintech so that to accommodate everyone (Biscaye, Callaway, Greenaway, Lunchick-Seymour, & McDonald, 2017). Financial inclusivity on the other hand has seen many banking services beyond the normal traditional banking being accessed by many clients from the comfort of their house due to technological revolution. Moreover, financial inclusivity is the way clients can have

access to bank accounts, using their credit cards to transact business, and using mobile platforms to transfer money and pay bill to different accounts comfortably (Musau, Muathe, & Mwangi, 2018).

With many financial services providers, and financial inclusivity are priority to developing nations part of the greatest innovation banks have experienced in the financial sector currently at the market. This has been characterized by rapid and advanced technological changes, new diversified services and different forms of business transactions that includes payments and money transfer with the presence of mobile money platforms like Mpesa, Airtel Money and Eazy Money, has made it easier for people to transact conveniently (Musau, Muathe, & Mwangi, 2018). On the other hand, there is an emerging trend in digital financial service based on scalable and innovative business models that targets the most difficult unbanked communities. This is done through creation of new payment methods, new ways of livelihood and new access method to capital goods and productive assets. This has also seen the development of inclusive models that serves the low-income earners (AFI, 2017).

Collins (2019) stated that Kenya rides on the success of mobile money platform M-Pesa, and hence becoming a hotbed of all things FinTech. Having been placed in first position in Africa's top- performing economies, in the year 2019 Kenya continued leading the continent in financial accessibility as it has been in over a decade time this according to the latest African Development Bank (AfDB) figures (2019). It is approximated that currently in Kenya, there are over 49 mobile applications offering digital credit. Some of the digital platforms currently available in Kenya include: KCB-Mpesa, M-Shwari, Tala,

Okash, Eazzy loan, Timiza, Mkopo Rahisi, Branch, and the recent overdraft facility by Safaricom, "Fuliza" (Totolo, 2018).

Various researchers have carried out empirical studies in attempt to address the conceptual and contextual issues under investigation. For instance, Totolo (2018) did an assessment of digital credit market demand based on a 5 years on a national representative phone survey on a sample size of 3150 Kenyans. The study established that it is important to monitor transparency and consumer protection in the digital credit marketplace due to a lot of unregulated players, who do not respond to any law or regulatory authority. Better tools are needed to track over-indebtedness and multiple requesting since requesting has affected consumption to repay the loans, and many reports dipping into their savings and bureaus should improve on data submission and usage for credit bureaus listing. A study by Singh and Roy (2015) established that financial accessibility envisages the importance of having an inclusive financial system for the social and economic development of a country.

2.4 Summary of Knowledge Gaps

Authors	Focus	Methodology	Findings	Knowledge Gap
Omwansa & Waema (2014)	The Impact of Pure Mobile Micro-financing on the Poor: Kenya's Musoni Experience	Both qualitative and quantitative techniques were used to obtain necessary data from a sample of respondents among Musoni clients in Kisumu CBD	The availability of mobile money as a flexible, safe, and convenient channel encourages keeping money for longer periods of time. The bundling of mobile money with other products increases the value of the electronic channel to clients. - there is an increase in savings as a result of mobile money usage.	The research focused on the pure mobile banking on poor. Unlike the current study which looked at the FinTech in general and the art of credit usage among SMEs
Totolo (2018)	The assessment of Digital Credit market demand, 5 years on.	A nationally representative phone survey with 3150 Kenyans to. The sample was selected from a random pool of	Better tools are needed to track over-indebtedness and multiple requesting since requesting has affected consumption to repay the loans, and many reports dipping into their savings and bureaus should improve on data submission and usage for	This was a national survey but the current research focused on SMEs in Kisumu CBD

		respondents who participated to the	credit bureaus listing. It is important to monitor transparency and consumer protection in the digital credit marketplace due to a lot of unregulated players, who do not respond to any law or regulatory authority.	
Kaffenberger, Totolo, & Soursourian (2018)	The Digital Credit; Insights from Requesters in Kenya and Tanzania	The research used a survey method in collecting data and analyzed using multiple regressions. A sample size of 1,132 was picked in Kenya and 1,037 in Tanzania.	Mobile phone users in Kenya have access to digital loans which have proved to be cheap and faster as compared to other forms of loan. Digital revolutions have also led to financial inclusion though with economic and social challenges. The study also suggested that digital credit providers, policy makers, investors and donors should be provided with important information before digital credit access for growth and sustainability.	The research focused on the digital revolution and digital lenders through mobile phones. Nothing was done to test the aspect of credit usage

Musau, Muathe & Mwangi (2018)	Financial Inclusion, Bank Competitiveness and Credit Risk of Commercial Banks in Kenya	This research employed both descriptive and explanatory none experimental research designs with a population of 43 commercial banks in Kenya.	Commercial banks pursue financial inclusion with the main aim of increasing the numbers of their customer base and consequently boosting their deposits and loans accounts. Based on the findings, the study concluded that majority of commercial banks in Kenya have adopted various ways of ensuring financial inclusion.	The research was conducted among the Kenyan commercial Banks but not on SMEs. It addressed the relationship between financial inclusion, bank competitiveness and credit risk. However, the current study tested the relationship between FinTech and credit usage.

2.5 Conceptual Framework

Based on literature reviewed in this study, the following conceptual framework was formed as indicated in figure 2.1 below.

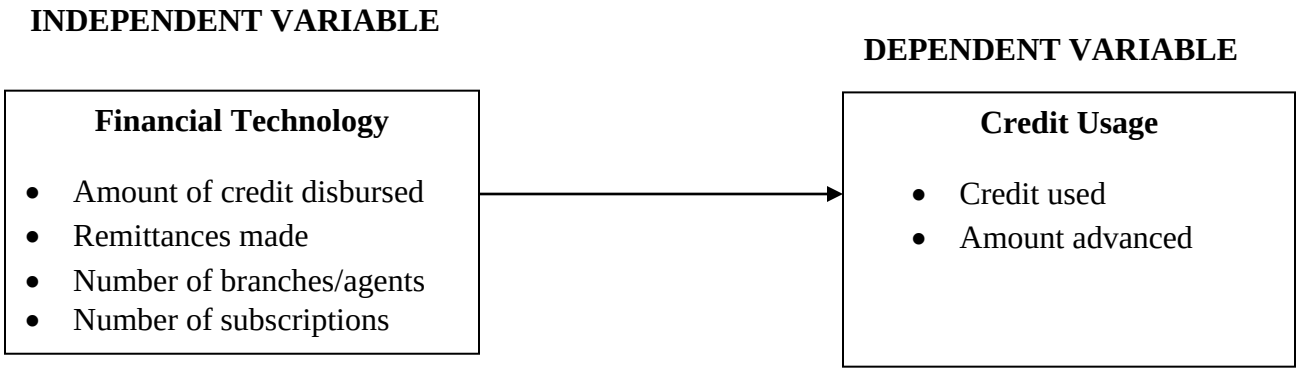

Figure 2.1: Conceptual Model

Source: Author (2020)

For this study the independent variable was financial technology whose indicators were amount of credit requested, remittances made, number of branches/agents and number of subscriptions. On the other hand, the dependent variable was credit usage indicated by credit used and amount advanced. The current study therefore, focused on small and medium enterprises operating within Kisumu CBD.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methodology that the researcher used in this study, in particular it highlights the research design, population, sample size, sampling design, data gathering instruments and analysis of the research study.

3.2 Research Design

This research used descriptive research design as it was found to be suitable for this research due to its efficiency in information collection from a selected target group of respondents within the population under study. Descriptive research design helps in collecting data from the population or a chosen subset, at a specific point in time (Blumberg, Cooper & Schindler, 2014).

This kind of research design is deemed fit for the study as it enabled the researcher to collect data on people's opinions and attitudes on social issues (Orodho & Okombo, 2002). This is because the study aimed at collecting data from different SMEs operating within Kisumu CBD. Primary data was collected to achieve the objective of estimating the effect of financial technology and credit usage.

3.3 Population of the Study

Cox (2015) described population of the research as that unit of analysis that researchers focus on in generalization of the study findings. Kothari (2011) referred target population as the total of items about which information is sought. Zikmund, et. al. (2013) described study population of the research as that unit of analysis that researchers focus on in generalization of the study findings.

This study targeted all the licensed SMEs operating in Kisumu CBD. Based on the available records, there are 6,688 SMEs registered to operate in the CBD of Kisumu as at December, 2019 (Kisumu County Government, 2020). These businesses are located in various streets within Kisumu CBD. They sell both fast moving items and slow moving items.

3.4 Sample Size

Since the current study's population is comprised of 6,688 small and medium enterprises in Kisumu CBD, this research employed use of the following formula to determine the sample size as recommended by (Yamane, 1967; Israel, 2009; Shieh, 2010).

$$n = \frac{N}{1 + N_e^{\,2}}$$ ……Equation 3.1

Where *n* is a representation of sample size

N stands for population size

e represents level of precision or margin of error.

A confidence level of 90%, and hence a margin error of 0.1, will be used.

Therefore:

$$n = \frac{6{,}688}{1 + 6{,}688_{(0.1)^2}}$$

n = 6,688 ÷ [1 + 6,688 (0.01)]

n = 6,688 ÷ 67.88 = 98.5

n = rounded off to 100 SMEs from Kisumu CBD

This sample size is deemed fit since it is manageable to respond to research

questionnaire. The outcomes of an exceptional sample are supposed to have similar aspects as those of the entire population (Mugenda & Mugenda, 2012). Systematic sampling technique will be used to pick the SMEs in Kisumu CBD.

3.5 Data Collection

This study gathered primary data through use of a questionnaire as this deems to be the best way to get the respondents opinions. Structured questions were used so as to capture the opinion of the respondent. Open ended questions were also useful because the respondents are not restricted to a common way of answering the questions. The questionnaire was divided into two parts. Part one dealt with background information. Part two of the questionnaire had questions on aspect of financial technology. Part three captured information on the credit usage.

The study only focused on owner managers, senior management or supervisory level since they are key decision makers. The copies of questionnaire were distributed through the use of drop and pick method where the researcher after identification of the study participants gave each of them the questionnaires to fill and agree/request them to hand to him or agree on time to collect the filled questionnaire. This was done to ensure that all the views of respondents were obtained and hence higher response rate.

3.6 Data Analysis

Data obtained from the field was converted into useful information using quantitative method. Data was analyzed through use of descriptive and inferential statistics. Descriptive statistics was used to give the magnitude of the variables under study and

presented in the form of tables and graphs. On the other hand, inferential statistics was done in form of regression tests which was used to establish the relationship between financial technology and the credit usage among small and medium enterprises in Kisumu CBD. This research employed use of a regression model as stated below.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$…….....Equation 3.2

Where:

Y = Credit usage

X_1 = Amount credit requested

X_2 = Remittances made

X_3 = Number of branches/agents

X_4 = Number of subscriptions

$\beta_0 - \beta_4$ are coefficients of the regression model, and ε is the error term

CHAPTER FOUR: DATA PRESENTATION AND DISCUSSION OF STUDY FINDINGS

4.1 Introduction

The initial aim of this study was to determine the effect of financial technology on credit usage among small and medium enterprises in Kisumu central business district, Kenya. This chapter therefore, is comprised of the following subsections: response rate, reliability test, general information, FinTech, credit usage as well as the subsection of inferential statistics inform of correlation and regression tests used to estimate the association and relationship between the study variables.

4.2 Response Rate

Initially, the study was expected to collect data from a hundred (100) small and medium enterprises operating in Kisumu CBD. Nevertheless, the researcher managed to collect data from eighty-three (83) SMEs who responded to the research questionnaires as illustrated in Table 4.1.

Table 4.1: Distribution of Response Rate

Responses	**Frequency**	**Frequency (%)**
Responses	83	83.0
Non-responses	17	17.0
Total	**100**	**100**

Source: Research Data

This formed an overwhelming response rate of 83%, while those who did not respond were only seventeen (17) and this translates to 17%. The reason for non-response rate was due to the shortest time given by researcher to respond to questionnaire. Nonetheless, the response rate of this study deemed fit and considered excellent for analysis.

4.3 Pilot Test Results

4.3.1 Reliability tests

Zinbarg (2005) recommends that any alpha coefficients of 0.70 or higher have an indication that the data gathered have a relatively high internal consistency and therefore could generally be used in reflecting the opinions of the respondents in the population of the study. Reliability test was used in evaluation of the statements for relevancy, loading, clarity and effectiveness. The responses gathered were cross-checked to establish any deficiency in the data collection tool.

Based on the results shown in Table 4.2 it can be construed that all the items in the instrument used to collect data in this case a questionnaire returned a highly acceptable score given that all coefficients reported were found to be above 0.70. The data collection instrument was therefore reviewed based on the pre-test experience. Thus, the results of the pilot study indicated that most questions were clear and appropriate, though a few aspects were found unnecessary. In response, corrections and adjustments were done accordingly.

Table 4.2: Reliability Test

Predictors	Cronbach's Alpha values
Amount of credit requested	.868
Remittances made	.877
Number of branches/agents	.736
Number of subscriptions	.808

Dependent Variable: Credit Usage

Source: Author (2020)

4.4 Firms' Characteristics

This section is comprised of various sub-sections with information regarding the firms' characteristics. These included the number of years in which SMEs had been in operation and establishment of the number of employees working in SMEs operating in Kisumu CBD.

4.4.1 SMEs' Years of Operation

Table 4.3 provides responses on number of years of which SMEs had been in operation. The study established that majority (38.6%) of the SMEs operating within Kisumu CBD have been in operation for a period ranging from six to ten years. Approximately, 30.1% of the respondents disclosed that the firms where they work had operated for a period of between three and five years. Additionally, around 18.1% of the respondents revealed

that their respective businesses had been operating in Kisumu CBD for a duration of less than 3 years. Those who were found to have operated for over 15 years had a representation of 7.2 percent. While the SMEs which were found to have operated for years ranging from 11 to 15 years were represented by 6.0%. This could be an indication that most of the SMEs operating within Kisumu CBD are well established given the experience they have in their operations.

Table 4.3: Responses on SMEs' Years of Operation

Years	**Frequency**	**Percent (%)**
Less than 3 Years	15	18.1
3 – 5 Years	25	30.1
6 – 10 Years	32	38.6
11 – 15 Years	5	6.0
Above 15 Years	6	7.2
Total	**83**	**100**

Source: Research Data

4.4.2 Number of Employees in SMEs within Kisumu CBD

The research sought to establish the total number of employees working in each of the SMEs under investigation and the output are as given in Table 4.4. The findings revealed that overwhelming majority (81.9%) of the respondents indicated that their respective SMEs had hired between 10 and 25 employees. In addition, about 16.9 percent of them stated that their SMEs had a total number of employees ranging from 36 to 40. On the other hand, only one respondent reported that the respective SME had employed less than

10 employees and this produced a representation of 1.2 percent. These findings show that the researcher collected data from the right respondents since most of them were found to have more than 10 employees. The findings can as well implicate that small and medium enterprises in Kisumu CBD contribute to growth of economy through provision of employment which in turn can enable the employees to uplift their living standards.

Table 4.4: Responses on Number of Employees

Employees	Frequency	Percent (%)
Less than 10 employees	1	1.2
Between 10 and 25 employees	68	81.9
Between 36 and 40 employees	14	16.9
Total	**83**	**100**

Source: Research Data

4.5 Financial Technology

This subsection covered questions on the aspects used by the study as indicators of FinTech as independent variables. These included amount of credit requested, remittances made, number of branches/agents and number of FinTech's subscriptions.

4.5.1 Amount Request from Digital Lenders

The results in Table 4.5 is comprised of responses on amount requested by SMEs in Kisumu CBD. The study revealed that almost a half (49.4%) of the respondents were found to have requested less than Ksh. 20,000 in the past one month. About 33.7% had requested amount of between Ksh. 20,000 and 50,000 per month. On the same note,

15.7% of the respondents indicated that their SMEs were able to request amount ranging from 50,000 to 100,000 in a month. While those whose monthly requesting ranged between 100,000 and 150,000 were represented by 1.2%. An indication that FinTech do lend money to SMEs to boost their businesses.

Table 4.5: Amount Requested on Monthly Basis

Frequency Transaction	Frequency	Percent (%)
Less than 20,000	41	49.4
Between 20,001 – 50,000	28	33.7
Between 50,001 – 100,000	13	15.7
Between 100,001 – 150,000	1	1.2
Total	**83**	**100**

Source: Research Data

4.5.2 Number of Branches/Outlets of SMEs

On question regarding number of branches owned by SMEs, the results are as given in Table 4.6.

Table 4.6: Number of Branches/Outlets of SMEs

Responses	Frequency	Percent (%)
Less than two	62	74.7
Two – five	21	25.3
Total	**83**	**100**

Source: Research Data

It can be construed that majority (74.7%) of the SMEs from which data was gathered from were found to have owned less than two (2) branches. 25.3% of them reported to between two (2) and five (5) branches. This results imply that some of the small and medium enterprises operating in Kisumu CBD have expanded their business network and this has made them realize growth through use of FinTech.

4.5.3 Number of Financial Technologies Subscription

In determining the number of financial technologies subscribed to by SMEs, the findings are as displayed in Figure 4.1.

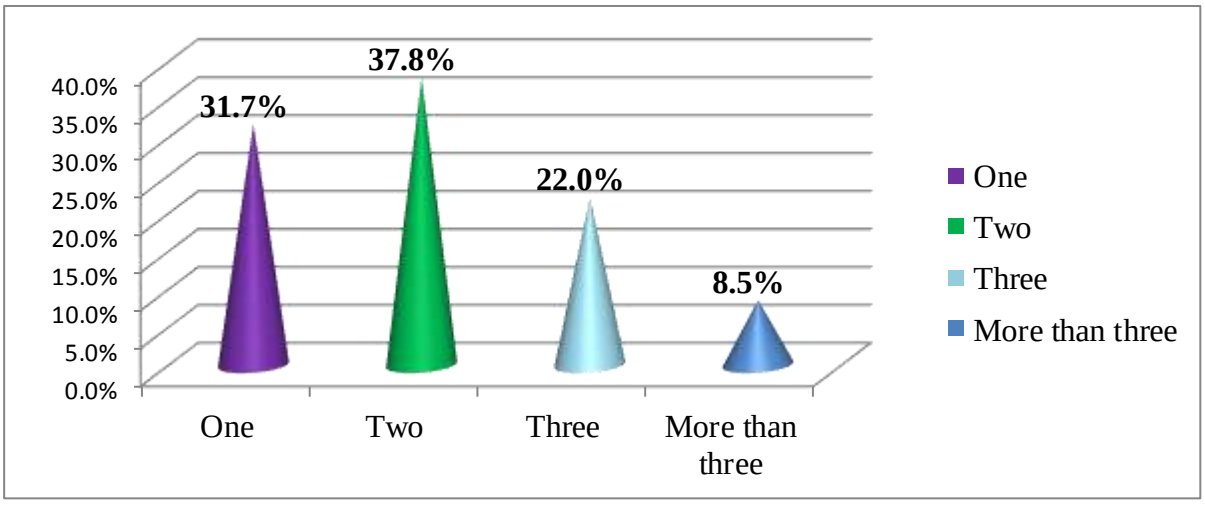

Figure 4.1: Number of FinTechs Subscribed to

Most of the respondents represented by 37.8% were found to have been subscribed to two FinTech applications. This was followed by those who were subscribed to one (1) with a representation of 31.7%. Those who revealed to have subscribed to three FinTech applications had a representation of 22.0% and subscriptions to more than three FinTechs provided a representation of 8.5%. This can be an implication that SMEs in Kisumu CBD have embraced use of this modern financial technology.

4.5.4 Some of the FinTech Applications Used by SMEs in Kisumu CBD

On the aspect where researcher resolved to establish some of the FinTech applications used for business in Kisumu CBD, the outcomes are as illustrated in Table 4.11.

Table 4.7: Distribution of FinTech Applications Used

FinTech Application	Frequency	Percent (%)
Tala	14	13.0
M-Kopa	1	0.9
K.C.B. M-Pesa	24	23.0
Zenka	7	6.0
Kopa cash	1	0.9
Okash	3	2.0
M-Fanisi	1	0.9
M-Shwari	38	36.0
Grofin	1	0.9
Equitel	3	2.0
O-Credit	1	0.9
Branch	5	4.7
Airtel Money	1	0.9
Timiza	1	0.9
Fuliza	8	7.0
Total	**104**	**100**

Source: Research Data

It can be deduced that M-Shwari was given an upper hand with a representation of 36%. This was followed by KCB M-Pesa with 23%. Tala application was as well used at 13%. Another financial technology application found to be used by SMEs in Kisumu CBD was Fuliza and Zenka which recorded about 7% and 6% respectively. Other FinTech

applications used for business with less than 5% included: M-Kopa, Kopa cash, Okash, M-Fanisi, Grofin, Equitel, O-Credit, Branch, Airtel Money as well as Timiza. This could be interpreted to mean that small and medium enterprises in Kisumu CBD transact through available FinTech applications.

4.5.5 Amount Remitted in Past One Month

The researcher saw it wise to have a question establishing the monthly amount remitted by SMEs in Kisumu CBD. Based on the output given in Table 4.8, it can be seen that majority of the respondents had paid back amount of less than Ksh. 20,000 at 37.3%. An estimate of 33.7% revealed to have remitted amount ranging from Ksh. 20,001 – 50,000. Still on the same question, 27.7% of responses show that SMEs in Kisumu had remitted amount of between Ksh. 50,000 and 100,000. However, only one SME had remitted amount ranging from Ksh. 100,000 – 150,000.

Table 4.8: Amount Remitted in Past One Month

Frequency Transaction	Frequency	Percent (%)
Less than 20,000	31	37.3
Between 20,001 – 50,000	28	33.7
Between 50,001 – 100,000	23	27.7
Between 100,001 – 150,000	1	1.2
Total	**83**	**100**

Source: Research Data

4.5.6 Extent of FinTech's Impact on Credit Usage

The research sought to estimate the extent to which FinTech had impacted credit usage among the SMEs in Kisumu CBD and the responses are as pointed out in Table 4.9.

Table 4.9: Extent of FinTech's Impact on Credit Usage

Frequency Transaction	Frequency	Percent (%)
Not extent	0	0.0
Less extent	8	9.6
Moderate extent	47	56.6
Great extent	25	30.1
Very great extent	3	3.6
Total	**83**	**100**

Source: Research Data

It can be understood that over a half (56.6%) of the respondents indicated that FinTech had impacted credit usage in their businesses to a moderate extent. Similarly, 30.1% of the respondents echoed that FinTech had influenced their SMEs to great extent. On the other hand, only 9.6% of the respondents felt that use of FinTech was impacting their businesses only to a less extent. But a few with a representation of 3.6% acknowledged that this technology had impacted their way of doing business to a very great extent. This could imply that use of FinTech is an essential pillar in running businesses within the current business environment.

4.6 Credit Usage

On the aspect of credit usage, the study formulated questions to determine the credit used within a month and amount advanced from digital lenders.

4.6.1 Credit Utilized in the Past One Month

In determination of the credit utilized within the past one month, the results are as provided in Table 4.10.

Table 4.10: Credit Utilized in the Past One Month

Frequency Transaction	Frequency	Percent (%)
Less than 20,000	40	48.8
Between 20,001 – 50,000	32	39.0
Between 50,001 – 100,000	10	12.2
Total	**82**	**100**

Source: Research Data

The findings show that majority (48.8%) of small and medium enterprises within Kisumu CBD indicated to have used less than 20,000 Kenyan shillings. Those who had used amount of between Ksh. 20,001 and 50,000 were about 39 percent. Approximately, 12.2 percent of the SMEs under investigation pointed out that they had used an estimate of amount ranging from Ksh. 50,001 – 100,000 within a month.

4.6.2 Amount Advanced by Digital Lenders in Past One Month

It was important to estimate the amount advanced to SMEs from digital lenders within the past one month. Based on the results provided in Table 4.11, it can be opined that more than a half (58.5%) of the respondents stated that digital lenders had advanced them with amount of less than Ksh. 20,000. This was followed by about 30.5% of them who reiterated that they had received an advancement ranging from Ksh. 20,001 – 50,000. While 11 percent of the SMEs under study got an advancement ranging between Ksh. 50,001 and 100,000.

Table 4.11: Amount Advanced Monthly

Frequency Transaction	Frequency	Percent (%)
Less than 20,000	48	58.5
Between 20,001 – 50,000	25	30.5
Between 50,001 – 100,000	9	11.0
Total	**82**	**100**

Source: Research Data

4.6.3 FinTech and Credit Usage of SMEs in Kisumu CBD

The respondents were required to indicate their level of agreement with various statements concerning FinTech and credit usage on SMEs located within Kisumu CBD and the responses are as provided in Table 4.12. This was done based on a likert scale of

1 – 5, where 1 = don't agree, 2 = slightly agree, 3 = moderately agree, 4 = agree, and 5 = strongly agree.

Table 4.12: FinTech and Credit Usage

Descriptive Statistics					
Attributes	**N**	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
FinTech has improved the way of doing business	82	1.00	5.00	3.5000	.91961
FinTech has enabled us increase our stock	82	1.00	5.00	3.3171	1.04087
FinTech has led to expansion of our business	82	1.00	5.00	3.3049	1.03862
FinTech charge reasonable interest rates	82	1.00	4.00	2.0854	1.07957

Source: Research Data

It can be deduced that most of the SMEs under investigation mentioned that FinTech had enabled them improve the way of doing business just to a moderate extent (Mean = 3.5, standard deviation of 0.91961).. Likewise, FinTech was found to have enabled SMEs increase their stock given a mean value of 3.3171 and a standard deviation of 1.04087. Based on mean values of 3.3049, the study realized that the SMEs agreed with the statement that existence of FinTech had led to expansion of their businesses to a moderate extent. However, respondents did not agree with the statement that FinTech

service providers were charging reasonable interest rates since it gave a mean score of 2.0854 and a standard deviation of 1.07957.

4.7 Regression Results

The study further carried out regression analysis where the results on model summary was determined based on the R squared, Analysis of Variance (ANOVA) and output was as well given where *F*-test and *p* – value (Sig) were used to establish the joint significance of all coefficients. Moreover, the regression model provided the coefficients of variables together with *t* – tests and *p* – values which were used as a measure of significance level of coefficients of each independent and control variables on dependent variable as indicated in Tables 4.13 – 4.15.

4.7.1 Relationship of FinTech and Credit Usage

Regression analysis was done to establish the effect of FinTech on credit usage among the SMEs situated in Kisumu CBD and was guided by the following equation:

$$Y = \alpha + X_1\beta_1 + X_2\beta_2 + X_3\beta_3 + X_4\beta_4 + \varepsilon$$

Where Y represented the credit usage, α represents the constant of the model, X_1 stands for amount of credit requested, X_2 stood for remittances made, X_3 meant number of branches/agents, X_4 was for number of subscriptions, $\beta_{1\text{-}4}$ are the values of regression coefficients while ε is the error margin.

Table 4.13: Summary of the Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.779[a]	.607	.586	.43822

a. Predictors: (Constant), Amount of credit requested, Remittances made, Number of branches/agents and Number of subscriptions

The summary results given in Table 4.13 indicate that the regression model provided a combined correlation R-value of 0.779 and an R squared value of 0.607. This indicates that the aspects used in this study to represent FinTech as independent variables have ability of explaining 60.7% of change in credit usage.

Table 4.14: ANOVA Results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	22.541	4	5.635	29.345	.000[b]
	Residual	14.595	76	.192		
	Total	37.136	80			

a. Dependent Variable: Credit Usage

b. Predictors: (Constant), Amount of credit requested, Remittances made, Number of branches/agents and Number of subscriptions

The output of ANOVA shown in Table 4.14 gave a regression sum square of 22.541 and a residual sum square of 14.595 with a mean squares of 5.635 for regression and 0.192 for residual. With an *F* – statistics of 29.345 and a significant value of 0.000. This has implication that all the independent variables used in this study were acceptable and fit in determining the dependent variable and therefore an indication that the study should reject any null hypothesis that amount of credit requested, remittances made, number of branches/agents and number of subscriptions do not influence credit usage among small and medium enterprises.

Table 4.15: Results of Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.387	.209		1.851	.068	-.029	.804
	Amount of credit requested	.593	.071	.686	8.297	.000	.451	.735
	Number of branches/agents	.385	.130	.241	2.964	.004	.126	.644
	Number of subscriptions	-.083	.058	-.116	-1.439	.154	-.198	.032
	Remittances made	-.035	.058	-.044	-.608	.545	-.152	.081

Source: Research Findings

Moreover, the model gave estimations on the effect of individual aspects of independent variables under investigation and the findings of the regression coefficients are as illustrated in Table 4.15. The estimations on coefficients revealed that amount of credit requested from digital lenders affects credit usage significantly since this variable provided a positive coefficient value of 0.593 accompanied by a strong *t* – value of 8.297 supported by strong *p* – value of less than 0.05. Number of FinTech branches/agents available were also found to be a strong determinant of credit usage among the SMEs operating in Kisumu CBD as it gave a beta value of 0.385 ($t = 2.964$, $p = 0.004$).

On opposite, the results show that number of subscriptions do not have significant effect on credit usage as it provided a coefficient value of -0.083 ($t = 1.439$ and $p = 0.154$). Likewise, amount remitted as well seem not to have a significant effect on credit usage since it gave a coefficient value of -0.035 ($t = 0.608$) and a weak *p* – value of 0.545. An implication that FinTech affects credit usage of businesses majorly through amount of credit requested from digital lenders and number of branches/agents available for lending.

4.7 Interpretation of the Key Findings and Discussion

The study has established that FinTechs in terms amount of credit requested from digital lenders influenced credit usage significantly. This could be interpreted to mean that and increase in the rate of transacting digitally increases chances of credit usage by 59.3%. In relation to these findings, Bharadwaj, Jack and Suri (2019) found out that the borrowings given to customers tend to improve household resilience. They further showed that 34% of the customers who were found to be eligible to take a loan were able to borrow. In conclusion, the study observed that digital loans were able to lead to improvement on

financial access and resilience, which was not the only course for greater failures of credit market. Mugo and Kilonzo (2017) realized that innovations offer immense possibilities for reducing poverty; achieving sustainable development, as well as inclusive economic growth. It was also established that financial inclusion had moved to new frontiers and at the same time was found to reduce poverty level, create employment as well as led to advancements in sustainable economic development.

The findings also established that number of FinTech branches/agents available strongly influences credit usage among the SMEs operating in Kisumu CBD given a coefficient value of 0.385 ($t = 2.964$, $p = 0.004$). In other words, the findings imply that an increase in branches/agents of FinTech in any given location is associated by increase in chances of digital credit being utilized more. A research carried out by Haddad and Hornuf (2017) revealed that countries which witnessed growth in formation of FinTech startups were found more subscriptions of mobile phones by customers which led to well-developed capital markets, and readily available modern technology. Another study in agreement with the current research findings is that of Kemboi (2018) who found out that adoption of online, mobile and internet as well as agency banking had a significant effect on financial performance of commercial banks. The findings further revealed that number of subscriptions do not have significant effect on credit usage. Similar results were produced by the construct of amount remitted.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the study summary of the findings based on descriptive statistics and inferential statistics. Conclusions are also made with focus on the findings of the research as well as suggestion of recommendations to be considered by the relevant authorities.

5.2 Summary of Study Findings

The main goal of this research was to determine the effect of financial technology on credit usage among small and medium enterprises in Kisumu central business district, Kenya. The variables under study were amount of credit requested from digital lenders, number of branches/agents, number of subscriptions and amount remitted (independent variables); whereas credit usage was taken as the dependent variable.

The study reported an overwhelming response rate of 83 percent from which majority of the SMEs under investigation were found to have been in operation for a period ranging from six to ten years. Overwhelming majority of these SMEs were found to have hired between 10 and 25 employees. The study revealed that almost a half of the respondents were found to have requested less than Ksh. 20,000 in the past one month. A high percentage of the SMEs from which data was gathered from, were found to have owned less than two (2) branches.

Most of the respondents were found to have been subscribed to at least two FinTech applications where M-Shwari and KCB M-Pesa were a priority in business transaction. Majority of the respondents indicated that SMEs in Kisumu CBD had paid back amount of less than Ksh. 20,000. Over a half of the SMEs indicated that FinTech had impacted credit usage in their businesses to a moderate extent. The findings further show that majority of small and medium enterprises within Kisumu CBD indicated to have used less than 20,000 Kenyan shillings in the past one month. More than a half of the respondents stated that digital lenders had advanced them with amount of less than Ksh. 20,000. Most of the SMEs under investigation disclosed that FinTech had enabled them improve the way of doing business just to a moderate extent.

Inferential statistics revealed that all the aspects used in this study to represent FinTech (amount of credit requested from digital lenders, number of branches/agents, number of subscriptions and amount remitted) as independent variables can only explain 60.7% of change in credit usage. The ANOVA model produced an F – statistics of 29.345 and a significant p – value of 0.000 which meant that the study rejected null hypothesis that amount of credit requested, remittances made, number of branches/agents and number of subscriptions do not influence credit usage among small and medium enterprises jointly as the error we make by doing so is <0.05.

The estimations on coefficients revealed that amount of credit requested from digital lenders affects credit usage significantly. Moreover, number of branches/agents of FinTech available were also found to be a strong determinant of credit usage among the SMEs operating in Kisumu CBD. On opposite, the results showed that the number of

subscriptions do not have a significant effect on credit usage. Amount remitted as well seem not to have a significant effect on credit usage.

5.3 Conclusion of Findings

Based on the objective of the current which was to establish relationship between financial technology and credit usage among small and medium enterprises in Kisumu central business district. The study concludes that amount of credit requested affects credit usage in SMEs' operations. This results make sense since credit usage will definitely dependent on credit availability. An increase in credit request tend to increase chances of credit usage in businesses. It was further found out that number of branches/agents of FinTech impacted credit usage in businesses positively. Financial technology is operated inform of applications which are placed either in mobile phones or computers, therefore, they serve as a platform of FinTechs transaction. However, some of the FinTech like M–Pesa and Airtel Money among others, require branches or agents of such service providers to facilitate their transactions. Therefore, the more the availability of agents, the higher chances of increasing credit usage.

The amount requested and repaid in time determines the increase in the chances of borrowing even higher since when one borrows and repays in time he/she raises the chances of getting higher figure in the next requesting. However, the study concluded that FinTech existing in Kenya charge high interest rates. The high interest rates can scare away the potential businesses willing to utilize such services. Furthermore, the study showed that FinTech adoption contributed to improvement in the way of doing business, and this enabled the increment of SME's stock. Those SMEs which were found to have embraced usage of FinTech, tend to expand more in terms of branches/network.

5.4 Recommendations Based on the Study Findings

From the research findings realized in chapter four, it can be recommended as follows:

- The managers of small and medium enterprises operating in Kisumu City should effectively follow and apply proper guidelines in adoption of financial technology and credit usage.
- The financial regulators should come up with the viable policies to control digital transaction to ensure that the consumer and the loan providers are protected from exploitation or loss of their money respectively
- Furthermore, the SMEs are advised to adopt and use FinTech in order to enhance their credit usage in their business operations.
- Amount of credit requested influence credit usage in businesses. Therefore, the managers and/or owners of SMEs in Kisumu CBD should increase frequency of borrowing for higher possibility of credit usage.
- Number of agents/branches also affected the SMEs' credit usage. It is recommended that service providers should expand their network in terms of branches/agents for ease of accessibility of digital services.

5.5 Limitation of the Study

The study was limited on establishment of the effect of financial technology on credit usage. This study solely focused on small and medium enterprises within Kisumu central business district. The localization of the study to SMEs in 4eiiKisumu CBD limited its generalizability to all the other SMEs in other regions of the country.

The study was also limited on the construct of credit usage which was used as dependent variable and the aspect of financial technology measured through amount of credit requested from digital lenders, number of branches/agents, number of subscriptions and amount remitted in this case used as independent variables. Due to limited time and resources, the current study relied on small sample of hundred (100) respondents. Therefore, time and financial constraints dictated a smaller sample.

5.6 Suggestion for Further Research

This research focused on determining the effect of financial technology on credit usage. The study suggests that upcoming researches should be conducted to test the relationship of FinTech with different variables other than credit usage. The indicators for FinTech as independent variable included amount of credit requested from digital lenders, number of branches/agents, number of subscriptions and amount remitted. It can be further suggested that other researchers should measure FinTech with different indicators. The current study was limited to small and medium enterprises in Kisumu central business district. The study therefore, suggests that a similar research should be done in a different context other than SMEs sector focusing on a slightly higher sample size.

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APPENDICES

Appendix I: Questionnaire of the Study

SECTION A: GENERAL INFORMATION OF SMALL AND MEDIUM ENTERPRISES

1. **State the number of years in which your SME has been operating in Kisumu CBD (Please tick where appropriate)**

   Less than 3 Years [ ]

   3 – 5 Years [ ]

   6 – 10 Years [ ]

   11 – 15 Years [ ]

   Above 15 Years [ ]

2. **How many employees has your business employed?**

   Less than 10 employees ☐

   Between 10 and 25 employees ☐

   Between 26 and 35 employees ☐

   Between 36 and 40 employees ☐

   Between 31 and 50 employees ☐

   Over 50 employees ☐

SECTION B: FINTECH TECHNOLOGIES

3. **On average, how much money do you request from digital lenders on a monthly basis? (Kenya Shillings)**

Less than 20,000 [ ] Between 20,001 – 50,000 [ ]

Between 50,001 – 100,000 [ ] Between 100,001 – 150,000 [ ]

Between 150,001 – 200,000 [ ] More than 200,000 [ ]

4. **How many branches/outlets does your SME have?**

Less than two ☐ Two – five ☐ Above five ☐

5. **How many FinTechs have your SME subscribed to?**

One [ ] Two [ ]

Three [ ] More than three [ ]

6. **How much did you remit in the past one month?**

Less than 20,000 [ ] Between 20,001 – 50,000 [ ]

Between 50,001 – 100,000 [ ] Between 100,001 – 150,000 [ ]

Between 150,001 – 200,000 [ ] More than 200,000 [ ]

7. **Please list some of the FinTech application which you use for business.**

……

……

……

8. **In your own opinion, state the extent to which FinTechs have impacted the credit usage in your respective SME?**

No extent [ ] Less extent [ ] Moderate extent [ ]

Great extent [ ] Very great extent [ ]

SECTION C: CREDIT USAGE

9. **Approximately, how much credit did your SME use in the past one** month?

Less than 20,000 [ ] Between 20,001 – 50,000 [ ]

Between 50,001 – 100,000 [ ] Between 100,001 – 150,000 [ ]

Between 150,001 – 200,000 [ ] More than 200,000 [ ]

10. **How much were you advanced by digital lenders in past one month?**

Less than 20,000 [ ] Between 20,001 – 50,000 [ ]

Between 50,001 – 100,000 [ ] Between 100,001 – 150,000 [ ]

Between 150,001 – 200,000 [ ] More than 200,000 [ ]

11. **How do you agree with the following statements as far as FinTech and credit usage are concerned?**

Statement	Don't agree	Slightly agree	Moderately agree	Agree	Strongly agree
FinTech has improved the way of doing business					
FinTech charge reasonable interest rates					
FinTech have enabled us increase our stock					
FinTech has led to expansion of our business					
Any other (Please specify)					

THANK YOU FOR YOUR TIME

Appendix II: List of SMEs Licenced to Operate in Kisumu CBD (2019)

Date of submission	Payment status	Application id	Application number	Fees	Application category	Account type	Business name
04-12-17	Paid	18775	TL-AAA00008	6550	Trade License	Personal	EXODUS ELECTRICAL SERVICES
05-12-17	Paid	18779	TL-AAA00012	6550	Trade License	Personal	MEXGEA TRADER LTD
05-12-17	Paid	18780	TL-AAA00013	6550	Trade License	Personal	GRAZY GEN SUPPLIES
05-12-17	Paid	18783	TL-AAA00016	7050	Trade License	Personal	MACNAUGHT HOLDINGS LIMITED
06-12-17	Paid	18788	TL-AAA00021	6550	Trade License	Personal	SUNSTAN ENTERPRISES
06-12-17	Paid	18788	TL-AAA00021	2100	Trade License	Personal	SUNSTAN ENTERPRISES
06-12-17	Paid	18789	TL-AAA00022	1155 0	Trade License	Business	IMAGING SOLUTIONS LIMITED
06-12-17	Paid	18789	TL-AAA00022	1195 0	Trade License	Business	IMAGING SOLUTIONS LIMITED
06-12-17	Paid	18789	TL-AAA00022	1755 0	Trade License	Business	IMAGING SOLUTIONS LIMITED
11-12-17	Paid	18798	TL-AAA00031	8550	Trade License	Personal	CENTURION CABLE NETWORK

							LIMITED
				1205			Quadco Three Hundred and Seventeen
13-12-17	Paid	18805	TL-AAA00038	0	Trade License	Business	Limited
				7005			
14-12-17	Paid	18810	TL-AAA00042	0	Trade License	Business	Letshego (K) Ltd
				4805			
19-12-17	Paid	18817	TL-AAA00048	0	Trade License	Personal	GEMINIA INSURANCE CO.LTD
				1110			
02-01-18	Paid	18836	TL-AAA00067	50	Trade License	Business	UNITED MILLERS LIMITED
				1614			
02-01-18	Paid	18836	TL-AAA00067	50	Trade License	Business	UNITED MILLERS LIMITED
				1620			
02-01-18	Paid	18836	TL-AAA00067	50	Trade License	Business	UNITED MILLERS LIMITED
				5605			
02-01-18	Paid	18841	TL-AAA00072	0	Trade License	Business	UNITED MILLERS LIMITED
				6645			
02-01-18	Paid	18841	TL-AAA00072	0	Trade License	Business	UNITED MILLERS LIMITED
02-01-18	Paid	18841	TL-AAA00072	6705	Trade License	Business	UNITED MILLERS LIMITED

				0			
				1605			
02-01-18	Paid	18849	TL-AAA00080	0	Trade License	Business	UNITED MILLERS LIMITED
				2145			
02-01-18	Paid	18849	TL-AAA00080	0	Trade License	Business	UNITED MILLERS LIMITED
				2205			
02-01-18	Paid	18849	TL-AAA00080	0	Trade License	Business	UNITED MILLERS LIMITED
				2405			
02-01-18	Paid	18854	TL-AAA00085	0	Trade License	Business	HASHI ENERGY LIMITED
				8105			
02-01-18	Paid	18856	TL-AAA00087	0	Trade License	Business	BASCO PRODUCTS (K) LIMITED
				1120			
02-01-18	Paid	18856	TL-AAA00087	50	Trade License	Business	BASCO PRODUCTS (K) LIMITED
				1120			
02-01-18	Paid	18856	TL-AAA00087	50	Trade License	Business	BASCO PRODUCTS (K) LIMITED
				1105			
02-01-18	Paid	18857	TL-AAA00088	0	Trade License	Business	HASHI ENERGY LIMITED
02-01-18	Paid	18859	TL-AAA00090	7050	Trade License	Personal	ELEGANCE WEAVING AND COSMETICS

				2905			
02-01-18	Paid	18869	TL-AAA00100	0	Trade License	Personal	MATTAN ISSA RESTAURANT & HOTEL
02-01-18	Paid	18870	TL-AAA00101	9050	Trade License	Personal	Jevikat Limited
				1205		Non-	
02-01-18	Paid	18879	TL-AAA00110	0	Trade License	Citizen	MAINSTREAM BOOKSHOP
02-01-18	Paid	18882	TL-AAA00112	8550	Trade License	Personal	MOFE AGENCIES LTD
				4805			PRUDENTIAL LIFE ASSURANCE KENYA
03-01-18	Paid	18887	TL-AAA00117	0	Trade License	Personal	LIMITED
03-01-18	Paid	18888	TL-AAA00118	7050	Trade License	Personal	CANAN SHOP
				4805			LALIT SODHA INSURANCE BROKERS
03-01-18	Paid	18893	TL-AAA00123	0	Trade License	Business	LIMITED
				5405			LALIT SODHA INSURANCE BROKERS
03-01-18	Paid	18893	TL-AAA00123	0	Trade License	Business	LIMITED
				5405			LALIT SODHA INSURANCE BROKERS
03-01-18	Paid	18893	TL-AAA00123	0	Trade License	Business	LIMITED
				1205			
03-01-18	Paid	18894	TL-AAA00124	0	Trade License	Personal	MIJESH ENTERPRISES LTD
03-01-18	Paid	18895	TL-AAA00125	2405	Trade License	Business	CECYPO LIMITED

				0			
				2845			
03-01-18	Paid	18895	TL-AAA00125	0	Trade License	Business	CECYPO LIMITED
				2905			
03-01-18	Paid	18895	TL-AAA00125	0	Trade License	Business	CECYPO LIMITED
				5505			
03-01-18	Paid	18896	TL-AAA00126	0	Trade License	Business	CECYPO LIMITED
				6445			
03-01-18	Paid	18896	TL-AAA00126	0	Trade License	Business	CECYPO LIMITED
				6505			
03-01-18	Paid	18896	TL-AAA00126	0	Trade License	Business	CECYPO LIMITED
				5605			
03-01-18	Paid	18898	TL-AAA00128	0	Trade License	Business	KENTONS LIMITED
				6645			
03-01-18	Paid	18898	TL-AAA00128	0	Trade License	Business	KENTONS LIMITED
				6705			
03-01-18	Paid	18898	TL-AAA00128	0	Trade License	Business	KENTONS LIMITED
03-01-18	Paid	18901	TL-AAA00131	6550	Trade License	Personal	WESTLAKE VENTURES

				1195			
03-01-18	Paid	18901	TL-AAA00131	0	Trade License	Personal	WESTLAKE VENTURES
				1255			
03-01-18	Paid	18901	TL-AAA00131	0	Trade License	Personal	WESTLAKE VENTURES
				6905			
03-01-18	Paid	18904	TL-AAA00134	0	Trade License	Personal	PLATINUM CREDIT LIMITED
				9945			
03-01-18	Paid	18904	TL-AAA00134	0	Trade License	Personal	PLATINUM CREDIT LIMITED
				2539			
03-01-18	Paid	18904	TL-AAA00134	3	Trade License	Personal	PLATINUM CREDIT LIMITED
				1000			
03-01-18	Paid	18904	TL-AAA00134	50	Trade License	Personal	PLATINUM CREDIT LIMITED
				4905			
03-01-18	Paid	18909	TL-AAA00139	0	Trade License	Personal	PACIS INSURANCE COMPANY LTD
03-01-18	Paid	18909	TL-AAA00139	400	Trade License	Personal	PACIS INSURANCE COMPANY LTD
				7005			
03-01-18	Paid	18909	TL-AAA00139	0	Trade License	Personal	PACIS INSURANCE COMPANY LTD
03-01-18	Paid	18909	TL-AAA00139	7005	Trade License	Personal	PACIS INSURANCE COMPANY LTD

				0			
				1205			
03-01-18	Paid	18913	TL-AAA00143	0	Trade License	Personal	MUDANE SHOP & COMMUNICATION
				1805			
03-01-18	Paid	18913	TL-AAA00143	0	Trade License	Personal	MUDANE SHOP & COMMUNICATION
03-01-18	Paid	18913	TL-AAA00143	500	Trade License	Personal	MUDANE SHOP & COMMUNICATION
				1805			
03-01-18	Paid	18913	TL-AAA00143	0	Trade License	Personal	MUDANE SHOP & COMMUNICATION
03-01-18	Paid	18913	TL-AAA00143	500	Trade License	Personal	MUDANE SHOP & COMMUNICATION
03-01-18	Paid	18913	TL-AAA00143	1441	Trade License	Personal	MUDANE SHOP & COMMUNICATION
03-01-18	Paid	18914	TL-AAA00144	8550	Trade License	Personal	EVANTON COMPANY LIMITED
				1300			
03-01-18	Paid	18914	TL-AAA00144	0	Trade License	Personal	EVANTON COMPANY LIMITED
				2755			
03-01-18	Paid	18914	TL-AAA00144	0	Trade License	Personal	EVANTON COMPANY LIMITED
03-01-18	Paid	18914	TL-AAA00144	1573	Trade License	Personal	EVANTON COMPANY LIMITED
03-01-18	Paid	18914	TL-AAA00144	2368	Trade License	Personal	EVANTON COMPANY LIMITED
03-01-18	Paid	18914	TL-AAA00144	2755	Trade License	Personal	EVANTON COMPANY LIMITED

				0			
				2305			
03-01-18	Paid	18917	TL-AAA00147	0	Trade License	Personal	IMPALA AUTO SPARES
				5405			
03-01-18	Paid	18918	TL-AAA00148	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				6505			
03-01-18	Paid	18918	TL-AAA00148	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2305			
03-01-18	Paid	18920	TL-AAA00150	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2905			
03-01-18	Paid	18920	TL-AAA00150	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2905			
03-01-18	Paid	18920	TL-AAA00150	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				1405			
03-01-18	Paid	18921	TL-AAA00151	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2005			
03-01-18	Paid	18921	TL-AAA00151	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
03-01-18	Paid	18923	TL-AAA00153	2305	Trade License	Business	JUBILEE JUMBO HARDWARE LTD

				0			
				2905			
03-01-18	Paid	18923	TL-AAA00153	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2905			
03-01-18	Paid	18923	TL-AAA00153	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				1405			
03-01-18	Paid	18924	TL-AAA00154	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				1945			
03-01-18	Paid	18924	TL-AAA00154	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2305			
03-01-18	Paid	18927	TL-AAA00157	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2845			
03-01-18	Paid	18927	TL-AAA00157	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2905			
03-01-18	Paid	18927	TL-AAA00157	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
04-01-18	Paid	18935	TL-AAA00164	8550	Trade License	Personal	HESBON CHANUA MOMANYI
				5155			
04-01-18	Paid	18937	TL-AAA00166	0	Trade License	Personal	XYLON MOTORS LTD

04-01-18	Paid	18938	TL-AAA00167	8550 5155	Trade License	Personal	PIONEER HOLDINGS (A) LTD
04-01-18	Paid	18940	TL-AAA00169	0 2305	Trade License	Personal	SIMBA CAETANO FORMULA LTD
04-01-18	Paid	18943	TL-AAA00172	0 2845	Trade License	Business	MELSIKO AGENCIES LIMITED
04-01-18	Paid	18943	TL-AAA00172	0 2905	Trade License	Business	MELSIKO AGENCIES LIMITED
04-01-18	Paid	18943	TL-AAA00172	0 4805	Trade License	Business	MELSIKO AGENCIES LIMITED
04-01-18	Paid	18945	TL-AAA00174	0	Trade License	Business	MINET KENYA INSURANCE BROKERS LIMITED
04-01-18	Paid	18945	TL-AAA00174	400 5345	Trade License	Business	MINET KENYA INSURANCE BROKERS LIMITED
04-01-18	Paid	18945	TL-AAA00174	0	Trade License	Business	MINET KENYA INSURANCE BROKERS LIMITED
04-01-18	Paid	18945	TL-AAA00174	600	Trade License	Business	MINET KENYA INSURANCE BROKERS LIMITED
04-01-18	Paid	18945	TL-AAA00174	5405	Trade License	Business	MINET KENYA INSURANCE BROKERS

				0			LIMITED
				1205			
04-01-18	Paid	18950	TL-AAA00179	0	Trade License	Business	KISUMU MOTOR WORKS LTD
				1745			
04-01-18	Paid	18950	TL-AAA00179	0	Trade License	Business	KISUMU MOTOR WORKS LTD
				1805			
04-01-18	Paid	18950	TL-AAA00179	0	Trade License	Business	KISUMU MOTOR WORKS LTD
				2405			
04-01-18	Paid	18951	TL-AAA00180	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				3005			
04-01-18	Paid	18951	TL-AAA00180	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				3005			
04-01-18	Paid	18951	TL-AAA00180	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2305			
04-01-18	Paid	18952	TL-AAA00181	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
				2905			
04-01-18	Paid	18952	TL-AAA00181	0	Trade License	Business	JUBILEE JUMBO HARDWARE LTD
04-01-18	Paid	18952	TL-AAA00181	2905	Trade License	Business	JUBILEE JUMBO HARDWARE LTD

				0			
				1405			
04-01-18	Paid	18960	TL-AAA00189	0	Trade License	Business	KUNAL HARDWARE & STEEL LTD
				1240			
04-01-18	Paid	18960	TL-AAA00189	0	Trade License	Business	KUNAL HARDWARE & STEEL LTD
				1155			
04-01-18	Paid	18963	TL-AAA00192	0	Trade License	Business	PV TECH EPZ EAST AFRICA LIMITED
				1695			
04-01-18	Paid	18963	TL-AAA00192	0	Trade License	Business	PV TECH EPZ EAST AFRICA LIMITED
04-01-18	Paid	18963	TL-AAA00192	600	Trade License	Business	PV TECH EPZ EAST AFRICA LIMITED
				1755			
04-01-18	Paid	18963	TL-AAA00192	0	Trade License	Business	PV TECH EPZ EAST AFRICA LIMITED
				2305			
04-01-18	Paid	18964	TL-AAA00193	0	Trade License	Personal	SEAL HONEY LTD
				2905			
04-01-18	Paid	18964	TL-AAA00193	0	Trade License	Personal	SEAL HONEY LTD
				2905			
04-01-18	Paid	18964	TL-AAA00193	0	Trade License	Personal	SEAL HONEY LTD

				2305			JOSMIL MARINE LOGISTICS AND
04-01-18	Paid	18973	TL-AAA00202	0	Trade License	Personal	CONTRACTORS
				2905			JOSMIL MARINE LOGISTICS AND
04-01-18	Paid	18973	TL-AAA00202	0	Trade License	Personal	CONTRACTORS
04-01-18	Paid	18973	TL-AAA00202	922	Trade License	Personal	JOSMIL MARINE LOGISTICS AND CONTRACTORS
				1205			THE CONTAINER BAR AND
04-01-18	Paid	18977	TL-AAA00206	0	Trade License	Personal	RESTAURANT
				1445			THE CONTAINER BAR AND
04-01-18	Paid	18977	TL-AAA00206	0	Trade License	Personal	RESTAURANT
				2305			
04-01-18	Paid	18979	TL-AAA00208	0	Trade License	Business	kawa motors (k) ltd
				2845			
04-01-18	Paid	18979	TL-AAA00208	0	Trade License	Business	kawa motors (k) ltd
				2905			
04-01-18	Paid	18979	TL-AAA00208	0	Trade License	Business	kawa motors (k) ltd
04-01-18	Paid	18982	TL-AAA00211	8550	Trade License	Personal	HIPS-STAR INVESTMENTS COMPANY
				5605			
04-01-18	Paid	18984	TL-AAA00213	0	Trade License	Personal	BIO FOOD PRODUCT LTD
				6705			
04-01-18	Paid	18984	TL-AAA00213	0	Trade License	Personal	BIO FOOD PRODUCT LTD
				3405			
04-01-18	Paid	18989	TL-AAA00218	0	Trade License	Business	AIRTEL NETWORKS KENYA LTD
				4505			
04-01-18	Paid	18989	TL-AAA00218	0	Trade License	Business	AIRTEL NETWORKS KENYA LTD
04-01-18	Paid	18989	TL-AAA00218	4505	Trade License	Business	AIRTEL NETWORKS KENYA LTD

				0			
04-01-18	Paid	18993	TL-AAA00222	8550	Trade License	Personal	MODAK GENERAL WORK LIMITED
05-01-18	Paid	19001	TL-AAA00230	1205 0 1805	Trade License	Personal	DLIGHT LIMITED
05-01-18	Paid	19001	TL-AAA00230	0	Trade License	Personal	DLIGHT LIMITED
05-01-18	Paid	19004	TL-AAA00233	8550	Trade License	Personal	BRITEL COMMUNICATIONS
05-01-18	Paid	19004	TL-AAA00233	3900 1805	Trade License	Personal	BRITEL COMMUNICATIONS
05-01-18	Paid	19004	TL-AAA00233	0	Trade License	Personal	BRITEL COMMUNICATIONS
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05-01-18	Paid	19004	TL-AAA00233	0	Trade License	Personal	BRITEL COMMUNICATIONS