

## ABSTRACT

The integration of digitalization in the banking sector in Zimbabwe is expected to affect the way in which banks come up with financial products and services and consequently customer satisfaction and the performance of these banks. To accomplish this, this study made an attempt to investigate the effect of digital banking on financial performance of commercial banks in Zimbabwe. Quantitative research methodology was adopted. The target population for the study was one commercial bank. Data collection sheet was used in data collection Pearson correlation coefficient helped evaluate the effect of digital banking on the banks' financial performance. The other inferential test multiple regression analysis was used to analyse the effects of digital banking on financial performance. The study revealed that ROA in CBZ a commercial bank in Zimbabwe increased in upwards trends due to an increase in online customer deposits through DIGITAL banking platforms. The study established that online bank transaction to total asset ratio increased in an upwards trend over the specified study period. Further increase in ICT expenses, fees and commissions to total asset ratio increased. The study concluded that online banking transaction significantly and positively predicted ROA and that an increase online banking transactions led to increase in ROA. The study recommends that bank management should enhance digital banking to improve financial performance in commercial banks.