



Influencing Factors of Internet Banking Adoption: Reference to Customers from Rathnapura District



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Abstract

This paper investigates the impact of individuals' perceived factors in using Internet banking services due to the lack of consistent adoption of Internet banking. The data were collected through Google® mail intercept by randomly administering a structured questionnaire to 111 respondents who used banking services in Rathnapura District, Sri Lanka. The research format has been built up depending on the technology acceptance model (TAM), including six independent variables such as Perceived usefulness (PU), Perceived Ease of Use, Subject Norms (SN), Perceived Security (PS), Perceived Behavioural Control (PBC) and establishing of quality internet connection while the dependent variable is using of the internet banking services, while multiple regression and factor analysis was performed to explore the impact of six influencing factors on internet banking adoption. The regression analysis results indicated that perceived ease of use and perceived security were the most significant influencing factors, while the R^2 value on the dependent variable was 59%. The subjective

norms variable was reported to have a negative impact on Internet banking adoption. The study illustrated that perceived usefulness does not have a significant impact on customer adoption of Internet banking. It is a challenging reveal to the TAM model. Therefore, extending the studies to examine the conceptualization of perceived usefulness and Internet banking adoption is important. The fact that subject norms (SN) did not support positive impact implies that policymakers may need to reconsider the emphasis on social impact in policies to promote Internet banking. Even though most of the researchers have conducted their research based on Internet banking adoption, the lack of support for the positive effect of perceived behavioural control (PBC) indicates the need for further exploration. It is imperative that future researchers investigate additional factors that contribute to perceived behavioural control in the context of Internet banking.

Keywords: Perceived Ease of Use, Subject Norms, Perceived Security, TAM, regression analysis.

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