

An empirical study of factors affecting the Internet banking adoption among Malaysian consumers'

Abstract

This paper examines factors that influence the Internet banking adoption among Malaysian consumers. The study sample consists of 100 respondents. The measurement items were adapted from Taylor and Todd (1995); Tan and Teo (2000) utilizing the seven-point Likert scale ranging from 1 - strongly disagree to 7 - strongly agree. Data were analyzed by employing multiple regression analysis. The results shows that Hedonic oriented Internet banking sites, followed by the perceived Importance of Internet banking to banking needs and Compatibility all significantly affect the adoption of Internet banking by Malaysian consumers. Trialability has the weakest influence for consumer Internet banking adoption beside Complexity, Risk, and Utilitarian oriented Internet banking sites. The empirical data used for this study was collected in Malaysia market which may have a culturally and technologically different environment from some other countries. This paper makes a contribution to Internet banking literature by providing insights on the factors that affect Internet banking adoption. The results hint that information about Internet banking services and its benefits is a critical factor influencing the adoption. The findings made a contribution in terms of understanding the factors that can contribute to the adoption of Internet banking by Malaysian consumers. © Norazah Mohd Suki, 2010.