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INFLUENCING FACTORS ON INTERNET BANKING

USAGE IN SELECTED PRIVATE BANKS

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ABSTRACT

This aim of this study is to identify factors influencing the usage of internet banking services in bank in and to investigate the perceptions of internet banking users. This study is based on the TAM (Technology Acceptance Model). The influencing factors in this study include perceived usefulness, ease of use, perceived risk, self efficacy and trial ability. Descriptive research method is used in this study to achieve the above objectives. Structured questionnaire will be collected from 100 internet banking users. The study stated that most of the internet users are single females and middle aged people. Most of the users have good perceptions to all influencing factors but they are aware of the risk factor. This study proved that all independent variables have the positive relationship with dependent variables. Among them, risk factor has the greatest affect on user intention. In additions, the study proved that intention leads to actual use of internet banking. Private banks should pay more attention to risk factors by improving the security features in order to make safe transactions. Private banks should make the customized software and cooperate with top security companies in order to improve the security of their system.

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CHAPTER 1

INTRODUCTION

Banking has always been a kind of industry that heavily relies on information in order to provide the most reliable service to all relevant users. For over a decade, information technology has significantly affected the banking industry. It not only enhances the bank's ability to process information, but also provides a way for banks to differentiate their products and services. Banks offer Internet banking in two main ways. An existing bank with physical offices can establish a Web site and offer Internet banking to its customers as an addition to its traditional delivery channels. A second alternative is to establish a virtual bank. The computer server that lies at the heart of a virtual bank may be housed in an office that serves as the legal address of such a bank, or at some other location. Virtual banks may offer their customers the ability to make deposits and withdraw funds via ATMs or other remote delivery channels owned by other institutions.

Internet banking (e-banking) is a remote service, where access to account information and any transactions is granted at any time from any computer with an Internet connection. The number of Internet users in Myanmar has been growing by 50-70% annually over the last 5 years. Thus, online becomes more and more common for Myanmar customers, and banks are motivated to propose a new and convenient way to use their services. The majority of Myanmar banks started proposing modern e-banking services only recently. Now bank introduced Internet Banking Services, named iBanking to all people in our country to manage their Banking with convenience & secure ways. Internet banking is very simple, instant, safe and fast. It can be used on all electronic devices, PC, mobile, laptop, tablet, smart TV etc.

The rapid growth and popularity of the internet has created great opportunities as well as threats to companies in various business sectors, to endorse and deliver their products and services using internet as a distribution channel (Chau & Lai, 2003). Researchers have emphasized the importance of the internet for financial services more than other industries (Mukherjee & Nath, 2003; Tan & Teo, 2000). Besides opportunities of this channel, banks and financial institutions across the world face new

challenges to the ways they operate, deliver services and compete with each other in the financial sector. Driven by these challenges banks and financial institutions have implemented delivering their services using this channel (Chan & Lu, 2004; Cronin, 1997). Internet banking refers to the use of the internet as a deliver channel for banking services, which includes all traditional services such as balance enquiry, printing statement, fund transfer to other accounts bill payment and so on, and new banking services such as electronic bill presentment and payment (Frust, Lang, & Nolle, 2000) without visiting to bank branch (Mukherjee & Nath, 2003; Sathye, 1999).

The objectives of Internet banking include cost containment through reduction in operating cost, performance improvement by making the service available at all times of the day, wider coverage by enabling the access to service from any location, revenue growth through better quality and additional non-financial services and customer convenience through personalized service (Bradley & Stewart, 2002; Chau & Lai, 2003; Frust et al., 2000; Suganthi & Balachandran, 2001). From the customer's perspective, Internet banking facilitates a convenient and effective approach to manage personal finances, as it is accessible 24 hours a day and 365 days in a year without visiting the bank and from any locations (Rotchanakitumunai & Speece, 2003).

1.1 Rationale of the Study

The main benefits of internet banking to banks are cost saving, reaching new segments of the population, efficiency, enhancement of the bank's reputation and better customer service and satisfaction (Brogdon, 1999; Jayawardhena et al, 2000). Traditional banks operating cost account for between 50% and 60% of revenues, running costs of internet banking is estimated at between 15% and 20% of revenues (Booz-Allen & Hamilton, 1997). Online banking is very useful and powerful means which leads banking industry towards development, growth. It helps to enhance the competitiveness of institutions (Kamel, 2005).

From the consumer's perspective, internet banking provides a very convenient and effective approach to manage one's finances as it is easily accessible 24 hours a day, and seven days a week. Besides, the information is always up to date. With the help of the internet, banking is no longer bound to time or geography. It has also been

argued that electronic banks are more likely to change in response to customers demand (Brogdon, 1999). Customers can manage their banking affairs when they want, and they can enjoy more privacy while interacting with their bank. It has been claimed that internet banking offers the customer more benefits at lower costs (Mols, 1998). For users, convenience was the key benefit of internet banking (Dassanayake, 2003). Internet banking is extremely beneficial to customers because of the saving in costs, time and space it offers, its quick response to complaints, and its delivery of improved services, all of which benefits make easier banking (Turban, 2000).

Although there is a significant growth of Internet users in almost every country, the number of financial transactions carried out over Internet remains to be low. It is observed that potential users either do not adopt Internet banking or do not use it continually after adoption. ACNielsen (2002) found that use of Internet banking is increasing in Asian countries but it is still slower than estimation. Due to these slow adoption rates, the transformation of banking services from 'bricks and mortar' to 'clicks and mortar' is yet to eventuate to the extent it was predicted (Bradley & Stewart, 2002). Customers in some countries have ranked Internet banking as less important than other channels such as ATM or telephone banking (Aladwani, 2001).

Nowadays, the Myanmar banks are continuously looking to better use technology by attempting to move low-value transactions away from the branch counter to ATM networks and to the internet and telephone banking (Chudasri, 2002). As a consequence, most commercial banks in Myanmar have launched web sites to offer online services to bank customers. But the adoption rate of Internet Banking is still low and how to increase the marketing penetration rate has become an important issue.

In order to be successful, banks and financial organizations are keeping understanding to what extent customers are adopting or using Internet banking services. Courtier and Gilpatric (1999) recommended that banks and financial companies must survey customers' requirements on a regular basis in order to understand factors that can affect their intention to adopt or use Internet banking. Researchers (Brown, Hoppe, Muger, & Newman, 2004) suggested banks (mainly international banks) for considering influence of national factors while introducing their services. For example, socio-economic conditions that affects income and levels of affluence, and the

consumers' ability to use Internet banking need to be considered. Further banks must be equipped with necessary technological infrastructure and resources to demonstrate the potential benefits of this new channel. But due to the limited number of studies that have been conducted in understanding users' adoption or usage intention, availability of information in this context is found limited for many countries, including Myanmar.

Myanmar is starting of a democratic and economic transition, the country is moving from a centrally directed economy to a market oriented one. Since the 2003 banking crisis, Myanmar legal framework for regulation the financial sector has been undergoing heavy reforms to being the country's bank closer to internationally accepted standard of operation and prepare the country for ASEAN integration. The private banks were banned by the military regime until 1992 (27 domestic private banks –Sep 2017) (13 Foreign Licensed). The private banks dominate the Myanmar deposit market, holding approximately 66% of total bank deposit. Myanmar has the highest mobile phone penetration in the region with close 95% penetration rate. The purpose of this research was intended to highlight the factor that influences the adoption of internet banking (Mobile banking)in private banks.

The findings of this study will help the banking industry in developing strategic plans to promote products and services over the Internet in.

1.2 Objectives of the Study

This study aims to enhance the understanding and knowledge of factors that affect on usage of internet banking services in Myanmar. The primary objectives of this study are to:

- (1) To identify the practices of internet banking services in selected private banks.
- (2) To investigate the factors influencing the usage of internet banking provide by selected private banks.

1.3 Scope and Method of Study

In this study, it aims to analyse the usage of internet banking in four outstanding banks such as (AYA, KBZ, CB and AGD). Descriptive research method is used in this

study to achieve the above objectives. Structured questionnaire will be collected from 100 internet banking users. In order to analyze the main objectives; the primary data is collected by qualitative and well-organized questionnaires regarding the financial sources that use rating measure in 5 point likert scale. The secondary data use from several sources such as previous research papers, online sources, textbooks.

1.4 Organization of the Study

This thesis is organized into five chapters. Chapter 1 provides an introduction to internet banking services and sets out the objective and significance of this research. Chapter 2 Presents Literature Review. Chapter 3 Presents Internet Banking Services in Myanmar. Chapter 4 presents the research method, including data collection and analysis. Chapter 5 present the research findings and discuss the implications of this study.

CHAPTER 2

LITERATURE REVIEW

This chapter presents the literature review for this study. By studying the literature review, the conceptual framework for this study could be developed.

2.1 Internet Banking

With the extensive technology innovation and telecommunications, we have seen new financial distribution channels increasing rapidly both in numbers and form, from ATMs, telephone banking to PC banking (Easing wood & Storey, 1996), and Internet Banking is the latest in the series of technological wonders of the recent past (Mols, 1999). Following the boom of Internet, the Internet can no longer be considered a “fad” or the preserve of “techies” and “computer nerds”. Commercial uses of the net have become the fastest growing part of the World Wide Web (WWW) (Hamid et al, 2007). About the same time, Internet Banking was thought to signal a revolution in banking distribution. Banks invested heavily in the development of the Internet channels (Accenture, 2005). Internet Banking has experienced explosive growth in many countries and has transformed traditional banking practice (Mols, 1999). Inevitably, Internet Banking will continue to revolutionize the current traditional banking industry and offers more opportunity to meet better consumer services through enhanced interaction, data mining and customization in the Internet Banking services (Hamid et al, 2007). Online banking was first introduced in the early 1980s (Kalakota and Whinston, 1997), in which consumers were provided with an application software program that operates on personal computer (PC) which can redialled into the bank via a modem, telephone line and operated the programs remotely on the consumer PC. However, the lack of Internet users, and costs associated with using online banking, stunted its growth. It was only in the late 1990s that internet Banking really caught on as the Internet explosion had made consumers more comfortable with making transactions over the web. During dotcom fallout, it became apparent that Internet Banking was not the panacea banks had thought it to be. Between 2001 and 2004 Internet Banking investment growth experienced a significant slowdown.

With respect to Internet Banking, a common confusion exists between the terms of online banking, Internet Banking as well as PC banking. The terms Internet Banking and online banking are often used in the literature to refer the same things. According to Hamid et al (2007), online banking is another term used for Internet Banking. Both share the similar meaning. Internet Banking or online banking can be defined as the service that allows consumers to perform banking transactions using a computer with an Internet connection (Lloyd, 2007). Thulani et al (2009) refer Internet Banking as systems that enable bank customers to get access to their accounts and general information on bank products and services through the use of bank's website, without the intervention or inconvenience of sending letters, faxes, original signatures and telephone confirmations. It is the types of services through which bank customers can request information and carry out most traditional retail banking services such as opening an account or transferring funds to different accounts, and new banking services, such as electronic online payments via a telecommunication network without leaving their homes or organizations (Aladwani, 2001; Daniel, 1999; Mols, 1998; Sathye, 1999). It provides universal connection from any location worldwide and is universally accessible from any Internet linked computer (Thulani et al, 2009; Perumal and Shanmugan, 2004; Bradley and Stewart, 2003 and Rotchanakitumnuai and Speece, 2003). At an advanced level, Internet Banking is called transactional online banking (Sathye, 1999). On the other hand, PC banking is defined as a home banking whereby consumers supplied with a financial software package on disks, allowing consumers to fill in details offline and then to send them into the bank over the bank's private network. Unlike PC banking, Internet Banking or online banking does not require proprietary software or access to a private network (Hamid et al, 2007).

Thulani et al (2009), Yibin (2003) and Diniz (1998) identify three functional types of Internet Banking that are currently employed in the market place i.e. Informational, Communicative and Transactional.

Informational - This is the basic level of Internet Banking. Typically, the bank has marketing information about the bank's products and services on a stand-alone server.

Communicative - This type of Internet Banking system allows some interaction between the bank's systems and the customer. The interaction may be limited to electronic mail, account inquiry, loan applications or static file updates (name and address changes).

Transactional - This level of Internet Banking allows customers to directly execute transactions with financial implications. The basic transactional site only allows a transfer of funds between the accounts of one customer and the bank. The advanced transactional site provides a means for generating payments directly to third parties outside of the bank. This can take the form of bill payments via a bank official check or electronic funds transfer/automated clearing house entries.

Internet Banking has been regarded as the most important way to reduce cost and maintain or enhance services for consumers (Hua, 2009). By offering Internet Banking services, traditional financial institutions seek to lower operational costs, improve consumer banking services, retain consumers and expand share of customer. Internet is the cheapest delivery channel for banking products as it allows the entity to reduce their branch networks and downsize the number of service staff. The navigability of the website is a very important part of Internet Banking because it can become one of the biggest competitive advantages of a financial entity (Ortega et al., 2007). Internet Banking is a process of innovation whereby customers handle their own banking transactions without visiting bank tellers (Qureshi et al., 2008). Recent evidence suggests that an Internet-based consumer banking strategy may be effective, with reports of more profitable, loyal and committed consumers compared with traditional banking consumers (ABA, 2004; Fox, 2005). Thus, contemporary banks now regard the Internet channel as equally important to traditional channels of branches, automated teller machines (ATM), telephone banking and call centres (Gartner, 2003). In the newbanking environment, Internet Banking is increasingly managed as an operational activity and an important element of a multi-channel strategy (Black et al., 2002).

2.2 Technology Acceptance Model (TAM)

One of the most widely used models is Technology Acceptance Model (TAM), a model developed to study the acceptance of the technology by an individual taking into account both the perceived ease of use and the usefulness of the technology. The TAM was initially proposed by Davis in 1989. It comprises of two beliefs, the perceived utility and the perceived ease of application, which determine the attitude to adopt new technology. The attitude toward will decide the adopter's positive or negative behaviour in the future concerning new technology. The TAM suggests that when users are presented with a new technology, a number of factors determine their decision about how and when they will use it. TAM has upgraded over time and its various version are available (Priyanka, S., & Kumar, A. 2013). This study adopts modified version of TAM by considering Trust, Perceived risk, perceived self-efficacy and social influence as extended variables in this model (Venkatesh, V. 2014).

TAM explains how people adopt and use information technology based system in our case it is internet banking system. Yousafzai (2010) supported that TAM is superior to the Theory of Reasoned Action (TRA), Theory of Planned Behaviour (TPB) and highlighted the importance of trust in understanding internet banking behaviour of customers. Bashir and Madhavaiah (2014) found that perceived usefulness (PU), ease of use, trust, self-efficacy and social influence have significant positive influence on young consumers' intention to use internet banking, whereas perceived risk exerted significant negative effect. Among all these factors, perceived risk has major significant effect on intention, followed by perceived use, perceived ease of use and trust. According to Medyawati et al (2011) person's ability to use computers, and interface design does not significantly influence perceived ease of use. Experience of computer use, relevance, security and privacy significantly influence the perceived ease of use. Relevance does not significantly influence the perception of its usefulness. Security and privacy, interface design, and perceived ease of use significantly influence the perception of its usefulness. Perceived ease of use significantly influences the attitude of its use. Perception of usefulness does not significantly influence the attitude of its use. Attitude for its use significantly influence the real usage and acceptance of e-banking.

Al-Ajam and nor (2013) extended TAM with variable Computability and Trialability and found that perceived ease of use and perceived usefulness, compatibility and trialability all impact attitude toward intention of adopting internet banking. Yousafzai et al (2009) trust and perceived risk are direct antecedents of intention, and trust is a multi-dimensional construct with three antecedents: perceived trustworthiness, perceived security, and perceived privacy. Al-Ajam and nor (2013) confirmed that perceived relative advantages, perceived ease of use, trust of the internet banking all impact attitude toward the intention of adopting internet banking. This paper is an effort to makes a contribution to internet banking literature. It sheds light on the factors that affect internet banking adoption. The findings may make a small contribution in terms of understanding the factors that can contribute to the adoption of internet banking by Yemeni consumers. Kallanmarthodi and Vaithyanathan (2012) reveal that perceived usefulness, perceived ease of use and perceived risk is the important determinants of e-banking adoption. In a country like India, there is a need for providing better and customized services to the customers. Customers are reluctant to adopt new technology that might contain risk. Hence ,the banks should ensure that online services are as safe as traditional banking, emphasize the convenience of using online banking and educate the customers regarding the uses of online services as well as security of their accounts. Safeena et al. (2013) examines the influence of perceived ease of use, perceived usefulness, attitude, subjective norm and perceived behavioural control of internet banking and found that perceived usefulness, perceived ease of use, attitude, and subjective norms, perceived behavioural control have positive effect on the use of internet banking. Mohan et al (2013) found that Perceived Ease of Use was the main determinant towards the intention for online banking as compared to Self-Efficacy and Trust and suggests that there is a direct relationship between perceived ease of use and intention to adopt online banking. When online banking is perceived as useful, customers' intention to adopt it would be greater, thus influencing the bank customers to adopt online banking when it is easy to use.

The Technology Acceptance Model (TAM) was in essence adopted from Fishbein and Ajzen's TRA by Davis (1989) in order to explain the potential user's behavioural intention to make use of a technological innovation (see Fig.4). The

purpose of this model is to predict the acceptability of a tool and to identify the modifications which must be brought to the system in order to make it acceptable to users. TAM is used to understand how people come to try new technologies. TAM has been widely applied to a diverse set of technologies and users. This model suggests that the acceptability of an information system is determined by two main factors: perceived usefulness and perceived ease of use. In other words, this model proposes that perceived ease of use and perceived usefulness are predictors as to the acceptance of information technology. Perceived usefulness is defined as being the degree to which a person believes that the use of a system will improve his or her performance. Perceived ease of use refers to the degree to which a person believes that using a given application is free of effort. In this model, perceived usefulness was found to be the most important factor that determined intention.

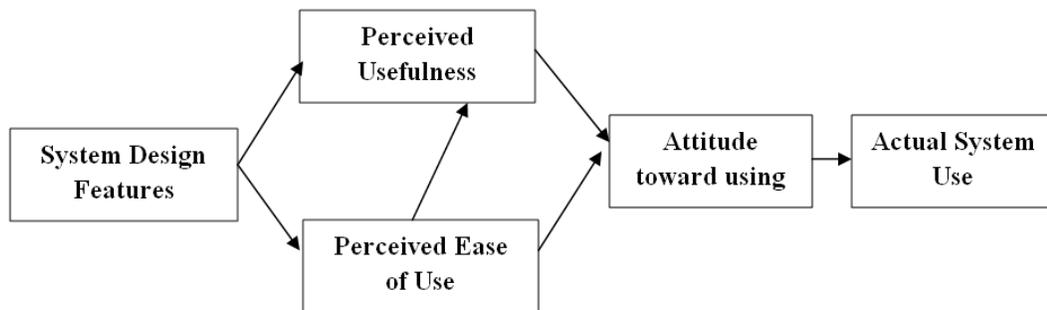
Among the different models that have been proposed, the technology acceptance model (TAM) suggested by Davis (1989) is the most widely accepted model because of its specific focus on information system (IS) use, its basis in social psychology theory, its parsimony and empirical support from various studies. According to TAM, adoption behaviour is determined by the intention to use which is turn determined by the perceived usefulness and perceived ease of use traits of the system.

Although researchers have found support for TAM but there are studies that have claimed that TAM's fundamental constructs are unable to fully explain the variances in intention. Davis (1989) expressed that future research of TAM needs to address how other variables affect perceived usefulness and perceived ease of use. Recent research on internet banking and online shopping has revealed that risk (Doolin, Dillon, Thompson, & Corner, 2005), self-efficacy (Chan & Lu, 2004; Wang et al., 2003), credibility (Chan & Lu, 2004; Luarn & Lin, 2004), and task familiarity (Chau & Lai, 2003) have a significant influence on intention to adopt or use Internet banking or buying products online.

In studying the adoption or usage of Internet banking , researchers argue that the original TAM's constructs are not sufficient because technology settings and transaction environment are different from conventional information system studies

such as adopting software packages or tools (Moon & Kim, 2001), thus necessitating a search for additional variables that better explain adoption or use of internet banking. Moreover researchers (Plouffe, Hulland, &Vandenbosch, 2001) commented that TAM’s parsimony can be trade-off by adding richer set of constructs that enhances the prediction ability of the model. Therefore, this research proposes to extend TAM in the context of internet banking with a view to provide a more in-depth analysis of intention to adopt or use of services. For this study, we propose two additional variables, risk and self-efficacy to enhance understanding of users’ behavioural intention. Risk is found to be a widely recognized obstacle to Internet banking adoption in prior studies. This may be because of lack of security and privacy over the Internet and thereby any commercial transaction over Internet is viewed as a risky undertaking. On the other hand, self-efficacy, an internal control factor, is found to influence the adoption or rejection decisions of information system users. Motivated by the conceptual similarity of TAM on technology acceptance behaviour, and the set of constructs used in TAM.

Figure (2.1) Technology Acceptance Model



Source: Agarwal and Prasad (1997)

2.3 Influencing Factors

The emergence of the Internet has changed the industry structures as well as enabled new players to enter existing industries and caused existing firms to change the ways they compete. Hence, knowledge and communication technology have an increasingly great role in modern banking, especially when directly accessible by the bank’s customers.

2.3.1 Perceived Usefulness

Davis et al. (1989) defined PU as the degree to which an individual believes that using the system will enhance his job performance. The definition means people who using computers in the workplace would increase their productivity, improve job performance and enhance job effectiveness and usefulness. When the user believes using information system is useful then the user will use the system because the system gives benefit to them. Conversely, if the user believes the system not useful, the user would not use it (Jogiyanto, 2007).

According to Davis (1989) perceived usefulness is defined here as the degree to which a person believes that using a particular system would enhance his or her job performance. In many instances, there is also extensive research in the Information System (IS) community that provides evidence of the significant effect of perceived usefulness on usage intention (i.e. Guriting and Nelson, 2006).

The proposed relationship between perceived usefulness and behavioural intention is based on the theoretical argument by Wang *et al.* (2003), and Guriting and Nelson (2006). Wang *et al.* (2003) found that perceived usefulness has a positive effect on behavioural intention to use the Internet banking. In simple words, perceived usefulness has a significant relation on behavioural intention. Guriting and Nelson (2006) found that perceived usefulness and perceived ease of use significantly determine behavioural intention.

Previous researches have showed that construct of perceived usefulness influence significantly positive towards the user of information system (e.g. Davis, 1989; Igarria et al., 1995; Rouibah et al., 2009). Igarria et al., (1995) studied the effect of perceived usefulness on usage in a field study of Finnish computer users. The result was found strong relationships between perceived usefulness and usage. Previous research also showed that perceived usefulness was constructs the most significant and important which influences attitude, behavioural intention, and behaviour (Jogiyanto, 2007).

2.3.2 Perceived Ease of Use

According to TAM, PEOU is a major factor that affects acceptance of information system (Davis et al, 1989). PEOU is defined as the degree to which an individual believes that using computer or computerized system will be free from physical and mental efforts (Davis et al, 1989). From the definition can be known perceived ease of use is a user belief which means with using information and technology their task will be easier. Hence perceived ease of use is more likely to be accepted by users and the more complex a technology is perceived as being, the slower will be its rate of adoption (Yousafzai et al., 2007). Previous researches showed the construct of perceived ease of use is influencing on perceived usefulness, attitude, behavioural intention, and behaviour. Igarria et al. (in Yousafzai et al., 2007) examined the factors affecting personal computer acceptance in small firms in New Zealand. As the result, among these factors, perceived ease of use was found directly influence personal computer acceptance. The findings indicate that perceived ease of use is a dominant factor in explaining perceived usefulness and system usage and it was also found that perceived usefulness is a strong antecedent of system usage. Other research by Sanchez et al. (in Yousafzai et al., 2007) also found the relationship between PEOU and PU was significant and positively related. The conclusion can be drawn the more complex system it will be useless.

At first perceived ease of use is based on external factors such as the user's attitude towards technology in general, experiences of using similar services and information from other people. In actual use and sustained use, perceived ease of use is increasingly affected by the user's own experiences of using the system in different contexts of use. Applying this to our research context, ease of use is the consumer's perception that using Internet Banking will involve a minimum of effort. Perceived ease of use is the extent to which a consumer believes a system is easy to learn or to use.

Perceived ease of use is one of the critical factors that determines the success of internet banking and is also critical for the development and as well as delivery of internet banking services to the customers of internet banking (Al-Hajri & Tatnall, 2008; Sathye, 1999). In a study of electronic banking in United Kingdom and Ireland,

Daniel (1999) identifies ease of use as one of the factors for customer acceptance. In terms of customer's perception, perceived ease of use is considered as "the extent to which a customer of internet banking thinks that using the internet banking is free of effort". Adoption of the internet has been observed to be influenced by understanding and ease of use (Cheung et al, 2000). Complexity can be described as the accurate opposite of ease of use in the Technology Acceptance Model, that has been considered as the most important factor. Thus it directly affects the adoption of the internet banking. The lesser the requirement of technical skills the more likely the customer would be to adopt a new technology (Lederer et al, 1999). Accordingly the adoption of Internet banking is likely to be more when the level of difficulty or complexity of the process of Internet banking is less. However a different trend was observed that no correlation was found between ease of use and Internet technology due to the high visibility of technology (Agarwal& Prasad, 1997). Wang et al. (2003), found that there is a significant positive impact of perceived ease of use on behavioural intentions of internet banking customers. Contrary to above it has been found that perceived ease of use is not positively correlated with internet banking (Pikkarainen et al, 2004). This research indicated that there is no significant effect of perceived ease of use on the adoption and use of internet banking. Sometimes there is a negative image in the minds of customers, regarding computers in general and internet channels in particular (Fain & Roberts 1997).

2.3.3 Self Efficacy

According to Campeau and Higgins (1995) computer self-efficacy is defined as the judgment of one's ability to use computer. Previous studies have shown that there is empirical evidence on the effect of computer self-efficacy on behaviour intention (i.e. Agarwal *et al.*, 2000). Wang *et al.* (2003) stated that computer self-efficacy had a positive effect on both perceived usefulness and perceived ease of use, and had a negative effect on perceived credibility.

Compeau and Higgins (1995) conducted a study stated that self-efficacy refers to belief of user on his/her ability in executing specific tasks. Thus, self-efficacy in accordance with the mobile internet banking concept, is considered as user's critical

analysis in the mobile internet banking usage. Additionally, the perceived self-efficacy and behavioural intentions were empirically verified by the underlying relationship between these two aspects (Amin et al., 2007). These underlying relationships describe the direct link between the specific aspects involved in the consideration process where the performance of a particular aspect affects the performance of others. Meanwhile, in the integration of Information technology with banking experiences, the perceived self-efficacy is regarding the improvement of quality; such improvements will increase the user's behavioural intention to utilize the implemented system.

On the other hand, if the perceived self-efficacy is not attained the demanded standard, particularly in the system's features or by the providers that offered the services, the behavioural intention will eventually be massively decreased. Therefore, the deliberation of the underlying relationship between these aspects should be related to the implementation technology. Such relation was offered by the study of Luarn and Lin (2005) which shows the self-efficacy positive effects with the behavioural intention to use Information System. Moreover, Hernandez et al. (2009) also corroborated a research to identify the immediate positive impacts of self-efficacy on intention to use of the internet banking.

Consumers should have a familiarity with computers and must have skills on using web browsers because internet act as a key medium for internet banking services (Lee, Kwon, & Schumann, 2005). Consumers that have more knowledge on computer technologies may easily adopt internet banking and enhance their efficiency in the use of internet banking. In addition, they do not need to spend more time and money in order to learn how to use internet banking (Kim, Widdows, & Yilmazer, 2005). According to Harrison, Onyia, & Stephen K.Tagg (2014), a customer who has prior experience on using computer and the Internet and aware of the benefits can be received would most likely to adopt internet banking. To support the statement, a research by Clemes, Gan, & Du(2012) states that customers who are familiar with internet environment enhance the internet banking acceptance by individuals who have prior experience on using Internet. Moreover, lack in knowledge about the internet banking service is known as the third reason that been used often by the non-users of internet banking (Gerrard, Cunnigham , & F.Devlin, 2006). This is due to unawareness of on

what is the need to become an internet banking user as well as unawareness of the computer skills level required in operating internet banking services.

Older consumers always have a same problem where they are lacking in computer skills and there is a need to get education on the internet basis knowledge in order to use internet banking. In general, users of internet whom usually express their confidence in their capability of using Internet is a confidence where obtained from many experiences that have positive results and the familiarity with this channel which is Internet (Lichtenstein &Williamson, 2006). Moreover, an ability of an individual to have a skill in using mobile will improve his enjoyment and usefulness which have a positively effect on behavioural intention to use mobile services (Lu &Philip Yu-Jen Su, 2009). Based on the above discussion, it can be seen that there is a significant relationship between knowledge and self-efficacy and internet banking adoption. Hence, it is included in this research conceptual framework.

2.3.4 Risk

Perceived risk has been defined in many ways in consumer behaviour literature. Five decade ago, Bauer (1960) introduced the concept of perceived risk. He proposed that consumer behaviour was a risk taking activity since the actions of consumers could produce unanticipated consequences, some of which were likely to be unpleasant. He defined perceived risk as a combination of uncertainty plus seriousness of outcome involved. Perceived risk is commonly thought of as felt uncertainty regarding possible negative consequences of using a product or service (Featherman and Pavlou, 2003).

Cunningham (1967) defined risk as the amount that would be lost if the consequences of an act were not favourable, and the individual's subjective feeling of certainty that the consequences will be unfavourable. Risk can be understood as the variation in the distribution of possible outcomes, their likelihoods and their subjective values (Mitchell, 1999). A consumer's perceived risk has been found to influence his or her online purchase decisions (Antony et al., 2006). The degrees of risk that consumers perceive and their risk tolerance are attitudinal factors that affect their usage (Chan et al., 2004). Lee (2008) defined perceived risk in internet banking as the subjectively determined expectation of loss by an internet banking user in

contemplating a particular online transaction. Consumer perceptions of the risk of adopting internet banking have been studied by many researchers (Tan and Teo, 2000; Yousafzai et al., 2003). Perceived risk is multidimensional construct and the dimensions of perceived risk may vary according to the product class (Featherman and Pavlou, 2003). Different researcher categorized perceived risk in different ways. Cunningham (1967) gave six dimensions of perceived risk — performance, financial, opportunity/time, safety, social and psychological loss. Roselius (1971) categorized the risk that might be encountered by consumers due to a purchase decision as time loss, hazard loss, ego loss, money loss and time loss. Jacoby & Kaplan (1972) gave risk dimensions into six groups: financial, performance, psychological, physical, social, and time.

Lovelock et al., (1999) suggested seven risk types in service sector: financial, functional, time, social, physical, psychological and sensorial (cf. Demirdogen, 2010). Hassan et al., (2006) suggested seven types of risk in online shopping: financial, performance, time loss, social, physical, source and privacy. Littler and Melanthiou (2006) mentioned six types of risks perceived by customers of internet banking: financial, performance, time, social, psychological and security (cf. Demirdogen, 2010). In this research, perceived risk in internet banking is hypothesized having six facets: financial risk, security risk, privacy risk, performance risk, social risk and time loss risk. Overall risk in internet banking may include all six of these risk types or any combination of them.

“Perceived risk has been identified by many studies as one of the most influential actors in the adoption of e-banking” (Laforet & Li, 2005). Customers perceive e-banking services as being more risky than conventional banking (Zhao et al., 2008). Zeithaml et al. (2008) found that “there are several types of perceived risks, including economic, functional social, and psychological risks”, which influence customers’ pre-purchase decision.

According to Almogbil (2005), “perceived functional performance of Internet banking determines whether or not it is adopted”. Agarwal et al. (2009) point out that “due to its technical nature and self-service features, the functional risk is higher among developing nations with high levels of illiteracy”. In these nations, “perceived operating

difficulty and chances of incomplete transactions due to Internet slowness are thought to be high” (Agarwal et al., 2009; Aslam and Sarwar, 2010).Asghar (2012) also found that “perceived risk has an effect on the intention to adopt Internet banking”. Lee (2009) found in his study that “the intention to use online banking is adversely affected mainly by the security/privacy risk, as well as financial risk”. These findings were supported by another recent study by Hua (2009), who investigated online banking acceptance in China. Hua (2009) showed that “perceived ease of use is of less importance than privacy and security, and emphasised that security is the most important factor influencing user's adoption.”

2.3.5 Trialability

Trialability is the “degree to which an innovation may be experimented with on a limited basis” (Rogers, 1995). A new idea which is tried frequently by the individuals will be adopted quickly. An innovation that is trialable represents less uncertainty to the individual who is considering it for adoption. It was found that, higher the perceived trialability of using internet banking, more likely the internet banking will be adopted (Hoppe et al., 2001; Tan and Teo, 2000). User’s trialability shows positive impact on attitude towards using online banking services in Taiwan (Hung-wang, 2010).

It was also found that; user’s trialability has significant effect on online banking user’s adoption in Malaysia (Ndubisi and Sinti, 2006) and in Jordan (Al-majali and Mat, 2010). In contrary to this, user’s trialability was found to have no significant association with online banking adoption in Labuan Federal Territory state of Malaysia (Suki, 2010). Since the experience of trialability differs across countries and regions, in this research, user’s trialability is measured through user’s understanding towards the functions of website, extent of using all the functions available in website and time taken to browse all the functions of bank website. Hence, the association of trialability with adoption of online banking services among young Indian users is tested with the following hypothesis.

Trail ability of any innovation can be defined as the ability of the innovation for trial before full implementation of the innovation (Rogers and Shoemaker, 1971).

Hence if a particular service can be tried by the potential users then that particular service will be accepted much widely and in faster time by the customers.

Ease of use: It is the degree to which perceived image of the service in customers' mind which is portrayed as the effortless use for the customer (Davis, 1989). If the particular service is perceived to be as the effortless use then that particular service would be much faster accepted by the customers.

There are some factors which are responsible for creating the intention to use a particular service. The Attitude build by the service attributes leads to the intention to use the service. And if the customers have the high intention to use the services then his behaviour for the use of service would also be there.

2.4 Intention to Use

Understanding customers' intentions is imperative because it is an essential element in predicting consumer behavior (Senthilnathan and Tharmi, 2012). According to the Theory of Reasoned Action (TRA) intention is interpreted by the term behavior intention (Fishbein and Ajzen, 1975), whereas in TAM perspective, intention is defined with the term "behaviour intention to use" (Davis, et al.,1989). According to Hasan (2013) intention is one of the consumer behaviour components in the consumption attitude: respondents have the tendency to act before making the decision to purchase. In this study, intention is defined as one's tendency toward opting to use internet banking in the future.

The last few years have shown the evolution of O-banking in all over the world, as well it has become is one of the most popular ways for the population to manage their money (Sarreal, 2016). Any financial institutions have adapted and taken this opportunity to take advantage of this new business paradigm. To increase profits and attain strategic sustainability in a quickly growing competitive circumference, banks assure O-banking protection for clients by applying encryption technology, for instance, checking O-banking account activity, secure sockets layer (standard security technology), combining account security advantages, and warning clients permanently regarding avoid threats such as identity theft (Chircu et al., 2000; Sarreal, 2016). Such information is fundamental to client relationship officials, which has been recognized

as an efficient business politics to attain success in the online service (Zhou et al., 2007). This term (Quality) obtained fame because of its effect on external clients (service recipient), particularly on their behavioural aspects (Apostolou et al., 2017; Li et al., 2018). Quality is a definition utilized to refer excellence and superiority of products/services and it includes the characteristics that meet the clients' needs by the harmony of all efforts related to processes, marketing, manufacturing, and maintenance (Charles et al., 2016). Furthermore, the quality definition refers the availability of all features and characteristics in the products/services on time and with reducing cost, which contributes in attaining the needs and expectations of the client whether it is stated or involved (Makanyeza et al., 2016). Unlike the service quality literature, the number of studies related to the electronic quality system is still in its first stage both from practical and theoretical viewpoints (Akinci et al., 2010; Alwan& Al-Zubi, 2016). Exactly, electronic quality is a modern idea and the method it is imagined differs considerably. Electronic quality is increasingly significant in impacting client appraisals and judgments concerning electronic quality performance in a virtual marketplace (Santos, 2003). The electronic quality is highly worried as a result of it highly related to the failure or success of the Internet-based organization such as O-banking in B2C (Zavareh et al., 2012). O-banking in B2B includes online users accessing the websites to conduct banking transaction; hence the extent to which their desires are met is necessary. Despite the fact that the level of O-banking adoption in Jordan is low (Alnsour&Al-Hyari, 2011; Abu-Assi et al., 2014; Al-smadi, 2012; Irvine, 2016; Rawashdeh, 2015), these banks should encourage customers to use their electronic services and to improve the level of O-banking adoption, and since one of the reasons clients are avoiding using O-banking is the risk and distrust in terms of ability to protect (Shannak, 2013). Accordingly, having standard security technology (high-level quality) may encourage external clients to the adoption of O-banking. As a result, it is also recommended that the Jordanian commercial banks should encourage improving their electronic quality to increase the level of O-banking adoption. In addition, commercial banks should be encouraged to reduce constraints related to low level of O-banking use so as to encourage customers to apply for O-banking.

2.5 Actual Use

A factor analysis was conducted to develop constructs that will help to analyse the questionnaire responses and to evaluate factors that influence customers' actual usage of Internet banking. Factor analysis assists in condensing a large set of variables into a smaller number of basic components that include some connected variables (Pallant, 2001).

According to rational choice theory, internet banking users who perceive internet banking to offer the benefits of convenience, time saving and ease of use will use it more frequently. Research by Pikkarainen, Pikkarainen, Karjaluoto and Pahnla (2004) shows that perceptions of usefulness have a positive influence on the use of internet banking. Thus, it can be argued that perceptions of convenience and time saving influence the actual use of internet banking. Although Pikkarainen et al. (2004) do not find a significant positive relationship between ease of use and the frequency of use of internet banking, other research such as that of Igarria, Iivari and Maragahh (1995) does provide empirical evidence of a positive relationship between ease and frequency of use of information technology.

The positive and significant relationship between perceived ease of use and actual usage was proved by the studies of Davis (1989), Eriksson et al. (2005), Yusoff et al. (2009), Rigopoulos & Askounis (2007), and Manzano et al. (2009). In his study, Sathye (1999) found that 40% individual respondents and 48% company respondents mastered the use of internet, but did not use internet banking because they considered it was difficult to apply internet banking. In other words, ease of use influence the use of internet banking. Yusoff et al. (2009) in a study on the use of e-library stated that when students considered e-library easy to use, they preferred to use the technology to find the information they need to improve the quality of their assignments. The hypothesis we would test was: H3: Perceived ease of use had a positive and significant influence on actual usage of internet banking.

The positive and significant relationship between perceived usefulness and actual usage was proved by the studies of Davis (1989) and Rigopoulos & Askounis (2007). While the study of Yusoff et al. (2009) on the usage of e-library found that

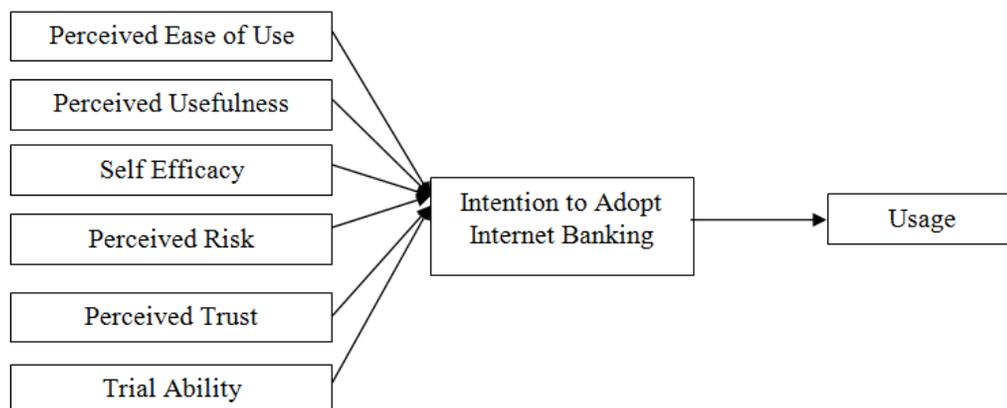
when students considered that the technology was useful, the usage of e-library would increase. The usage of a technology implied the conviction that the method of presenting information by the technology was useful and became an alternative choice (Walker & Johnson, 2006). The hypothesis that we would test was: H4: Perceived usefulness had a positive and significant influence on actual use of internet banking.

Clients' attitude or willingness to use the service of e-banking would cause e-banking to be accepted and intensively used by clients (Medyawati et al., 2011). Ndubisi&Sinti (2006) stated that clients' attitude and the features of internet banking caused internet banking to be accepted by bank clients in Malaysia. The positive relationship between attitude toward using and actual usage was found in the studies of Davis (1993) and Medyawati et al. (2011).

2.6 Previous Study

AlKailani (2016) developed the study named "Factors Affecting the Adoption of Internet Banking in Jordan:An Extended TAM Model". His study aims to investigate how customers perceive and adopt internet banking (IB) in Jordan. Anextended Model, based on the Technology Acceptance Model (TAM), was developed. To empirically test the Model's ability to predict customers' intention to adopt and use internet banking, a questionnaire was developed and used. A randomly 500 graduate students at four Jordanian Universities were surveyed. Figure (2.2) presents the conceptual framework of the study by AlKailani (2016).

Figure (2.2) Conceptual Framework of Alkailani (2016)



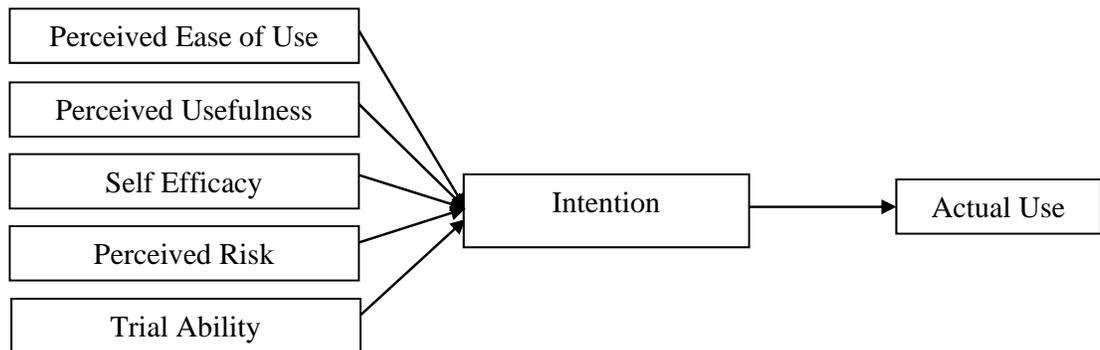
Source: Alkailani (2016)

The model the researcher developed proposed that internet banking acceptance is affected by the variables derived by the TAM (Perceived Ease of Use, Perceived Usefulness) and four other variables referring to Self-Efficacy, Perceived Risk, Perceived Trust and Trial ability. Alkailani (2016) proves that ease of use, perceived usefulness; perceived risks and trial ability are statistically significant to the intention to adopt internet banking. In additions, the correlation result proved that intention to use actually lead to the usage.

2.7 Conceptual Framework of the Study

By referring the above literature review and conceptual framework of Alkailani (2016), the conceptual framework for this study has developed. Figure (2.3) presents the conceptual framework of the study.

Figure (2.3) Conceptual Framework of the Study



Source: Base on TAM Model Alkailani (2016)

According to the Figure (2.3), there are five independent variables such as perceived ease of use, perceived usefulness, self-efficacy, perceived risk, and trial ability. Mediating variable is intention to adopt internet banking system and dependent variable is actual use. In order to find out the relationship among the variables, regression analysis is used. Firstly, this study presents the relationship between influencing factors and intention to use. Finally, it explores the intentions to use and actual use relationship.

CHAPTER 3

INTERNET BANKING IN MYANMR

This chapter presents the internet banking services currently offered in Myanmar. Internet Banking is a web-enabled electronic delivery channel whereby customers of the bank are able to perform real time banking transactions via PCs, Laptops, Smartphone or other devices with access to the internet.

3.1 Background of Myanmar Banking Sector

After nationalizing the banking system during the socialist era and experiencing a severe banking crisis in 2003, the Myanmar banking system is currently undergoing a significant reform process aiming at growth and sustainability. Myanmar's banking history dates back to the 19th century, British colonial rule and the Indian Presidency Bank of Bengal opened its Yangon branch in 1861 (Tin2013). The Yangon branch office of the Reserve Bank of India became the first Central Bank in Myanmar (1939-1947). Independence in 1948, the banking sector, including domestic and foreign banks, developed quickly under the democratic government and accounted for at least one-third of Myanmar's GDP (Tin, 2013). Had taken state power, all banks (10 domestic and 14 foreign) were nationalized in 1963. One consequence of the then established socialist banking system was the country-wide deployment of nationalized banks which was intended to create more outreach (banks were almost exclusively present in Yangon before).

The Myanmar e-Banking has just started, and there is a lot of opportunity to grow. Out of a population of 52 million, only just over a million has payment cards and 8-10% of the population has a bank account, meaning there is a huge potential for payment industry and banking sector. The growth of banking populations from time-to-time and increasing mobile penetration will help to promote e-Banking services,.

3.2 Overview of the Internet Banking Services in Myanmar

New challenging era of innovative and competitive environment for banking business inevitably drives connectional ways of banking services to electronic ways of

banking services with advanced ICT because it is the only effective and efficient approach not only to serve financial services to all of banked and unbanked people across the country but also to deal with international services of banking business and financial institutions which is very important for the economic growth and development of the country.

3.3 Emergence of Internet Banking Practices in Myanmar

After the country began opening up, many changes took place in the banking sector. The payment sector has been one of the significant reforms of the financial industry. Economic functions were largely dependent on cash and payment cards were introduced in late 2012. Transforming the cash-based society to a card-based society is the first priority not only for electronic banking (Internet Banking) development, but also for the growth of the nation's economy.

3.4 Benefits of Internet Banking

Most private banks in Myanmar give the common internet banking services for the customers. There are many benefits of using internet banking as follow:

- Convenience – Access accounts and conduct transactions at any time and place of customers' convenience
- Safe – Secured channels used so that customer's transaction and data are fully protected from loss or theft (more information on security in the following section below)
- Save Time and Cost – Customers do not need to go to the bank's premise to conduct transactions, saving time and money
- Efficient – Transactions are done in real-time
- Latest Promotions – Get the latest news and promotions from Banks

3.5 Internet Banking Services

The Services allow the User to do the following here with but not limited to

1. Account balance and transaction information for the User Account(s)

2. Transfer funds internally between Accounts and setup recurring transfers from one Account to another
3. Transfer funds by using of mobile number (Remit2U)
4. Bill Payment for electronic bill, water bill, landline or phone bill, internet bill etc
5. Payroll Services
6. Cash Management
7. Gift Card Purchasing (Virtual Credit)
8. Airtime Top up
9. Cash withdraw via ATM (Cardless withdrawal)
10. Card Payments (Credit Card/Prepaid Card)

Private banks offer above common services to internet banking uses. Thus, customers could do the desired task without going to the banks and could do at their workplace or home. This could greatly improve the banking performance.

CHAPTER 4

ANALYSIS OF INTERNET BANKING SERVICES IN MYANMAR

This chapter presents profile of the respondents. In additions, it presents perceptions of influencing factors on internet banking system. Finally, it covers the relationship

4.1 Profile of the Respondents

To analyse the job performance and organizational commitment based on the HR practices, demographic characteristics, such as age, gender, education level, experience and position are firstly presented. The frequency and percentage of the profile of the respondents are presented in the study based on the findings. Profile of the respondents is shown in Table (4.1).

Table (4.1) Demographic Data of the Respondents

Sr.No	Particular	No. of Respondents	Percent
	Age : 20-29	34	34.0
	30-39	45	45.0
	40-49	17	17.0
	50-59	4	4.0
	Total	100	100
1.	Gender : Male	47	47.0
	: Female	53	53.0
	Total	100	100
2	Education : Bachelor	63	63.0
	Post graduate	37	37.0
	Total	100	100
3.	Marital : Single	54	54.0
	Married	46	46.0
	Total	100	100

Source: Survey Data (2019)

According to Table (4.1), the sample of the study consists of 47 number of male respondents while 80 female representing 53 of the sample. The data analysis revealed that majority of the respondents are between 30 to 39 years old and they represent 45 % of the total respondents while 20 to 29 years old with 34 percent. In additions, 50 to 59 years old with 4 percent of respondents respectively. Moreover, based on the education survey, the largest group of the respondents are bachelor degree holder with 63% while the second largest group is post graduate by 37 percent of the total respondents. Mostly, the respondents are single with 54% and married are 46%. Therefore, most of the respondents are females and they are more interested in internet banking system. Based on the findings, most of the employees are young people. Internet banking service needs to focus those majority groups.

4.2 Influencing factors on Internet Banking

In this study, influencing factors refer to perceived ease of use, perceived usefulness, perceived accessibility, and perceived security. To find out the influencing factors, structure questionnaire with 5 point likert scale is used.

4.2.1 Perceived Usefulness

Perceived usefulness is essential for every products and services. If the new products and services do not meet their needs and wants, customers will not use it. Table (4.2) presents the perceived usefulness of the respondents towards internet banking.

Table (4.2) Perceived Usefulness

Sr.No	Statement	Mean
1.	Internet banking enables me to accomplish my banking tasks more quickly	4.14
2.	Internet banking makes it easier for me to do my banking	3.68
3.	I find Internet banking useful	3.89
4.	I could check the transactions and account update regularly.	3.64
	Overall Mean	3.84

Source: Survey Data, 2019

According to Table (4.2), it indicates that most respondents strongly agreed that internet banking enables to accomplish the banking tasks more quickly. Among four constructed statements, another largest mean score is 3.89 which show that internet banking is useful for the respondents. Moreover, people believe that internet banking is easier to do banking matters. The least mean 3.64 states that it they could check the transactions and account update whenever they want without going to the bank. According to overall average mean, it can consider that all variables in perceived usefulness are as agree level.

4.2.2 Perceived Ease of Use

People use new technology if they find out it is simple and easy. Table (4.3) presents the finding regarding to the ease of use for the respondents who is using internet banking.

Table (4.3) Perceived Ease of Use

Sr.No	Statement	Mean
1.	I find Internet banking easy to use	4.42
2.	Using Internet banking can often be frustrating	3.24
3.	Internet banking can be complicated to use	3.58
4.	Internet banking gives me greater control over my finances than visiting a bank or phone banking	3.83
5.	Learning to use Internet banking was easy for me	3.78
6.	It was easy to become skilful at using internet banking	3.75
	Overall Mean Score	3.77

Source: Survey Data, 2019

According to Table (4.3), the result states that most of the people agreed that they are able to find he internet banking easily and the largest mean score is 4.42. In addition, another largest mean score is 3.83 which shows that the respondents believe that learning to use internet banking was easy to use and people agree that it was easy

to become skilful at using internet banking and the mean score is 3.78. Furthermore, people agree that it is easy to become skilful at using internet banking and the mean score is 3.75. Additionally, people agree that internet banking can be complicated and people fairly agree that using internet can often be frustrating. But sometimes, some users found complicated when they use new functions. According to overall of perceived of ease of usefulness is 3.77.

4.2.3 Self Efficacy

Efficient and reliability of using the new products and services are important for the users. Table (4.4) presents the self efficacy of the respondents.

Table (4.4) Self Efficacy

Sr.No	Statement	Mean
1.	Internet banking is less time-consuming than visiting a bank or phone banking	4.00
2.	I can use internet banking without anyone around to show me how to do it	4.21
3.	I can use internet banking with only the online help function or instructions for assistance	4.22
4.	I could use internet banking even if I changed banks	3.98
5.	I could use Internet banking even if the system was changed	3.73
6.	I am confident of using internet banking even if I have never used such a system before	3.83
7.	I am confident of using internet banking if I have just the online “help” function for assistance	4.20
	Overall Mean Score	4.02

Source: Survey Data, 2019

According to self efficacy, the largest mean is 4.22 which shows that they can use internet banking with only the online help function or instructions for assistance

and people agree that they can use internet banking without anyone around to show how to do it and the mean score is 4.21. Besides, the mean score 4.20 shows that they are confident of using internet banking if they have just the online help function for assistance. Besides that, people agree on internet banking which is less time-consuming than visiting a bank or phone banking and the mean score is 4.00. The least mean score 3.73 represents that they could use Internet banking even if the system was changed. According to overall average mean 4.02 which indicate that self-efficacy influence on the respondents that they satisfy internet banking service.

4.2.4 Risk

Using internet banking can make high risk sometimes. Thus, the respondents examine the fraud, security, and monetary loss. Table (4.5) presents the finding regarding to the risk for the respondents who is using internet banking.

Table (4.5) Risk

Sr.No	Statement	Mean
1.	Using Internet banking increases my cost of banking	3.33
2.	Internet banking lacks the benefits of personal interaction with bank personnel	3.39
3.	Using Internet banking may expose me to fraud or monetary loss	3.30
4.	Using internet banking may jeopardise my privacy	3.41
5.	Internet banking is insecure	3.48
6.	Using internet banking increases the time it takes to do my banking	3.20
7.	Using internet banking is unreliable	3.10
	Overall Mean Score	3.37

Source: Survey Data, 2019

According to the survey result, the largest mean is 3.57 which indicates that the respondents are agree over the security as past I can rely on internet banking to work as expected. In addition, many respondents believe that they are confident over the security as pest of internet banking in Myanmar shown as the mean score 3.54. Additionally, people agree that Internet banking is insecure and the mean score is 3.48. Furthermore, the most of the respondents are fairly agreed on the statement of using Internet banking may expose me to fraud or monetary loss. Similarly, the respondents fairly agree that using internet banking is unreliable with the mean score of 3.10. According to the overall mean score, risk factor moderately influence on the people.

4.2.5 Trial Ability

Trial ability is important in using internet banking. The people examine the trial basis, information on internet, etc. The mean score is shown in Table (4.6).

Table (4.6) Trial ability

Sr.No	Statement	Mean
1.	Internet banking is available for me to use on a trial basis	3.60
2.	I am able to see how Internet banking works and what it can do	3.72
3.	I know where I can get more information on Internet banking	3.88
4.	I want to be able to try Internet Banking for at least one month	3.69
	Overall Mean Score	3.72

Source: Survey Data, 2019

According to Trial Ability in Table (4.6), the largest mean score 3.88 shows that the respondents know when they can get more information on internet banking. The mean score 3.72 indicates that the respondents are able to see how internet banking works and what they can do. The mean score 3.69 represents that they want to be able to try internet banking for at least one month. Furthermore, the least mean score 3.60

shows that Internet banking is available for me to use on a trial basis. According to overall mean 3.72, it was found that that most of the respondents agreed by using the trial ability.

4.3 Intention to Use Internet Banking

It is important to identify the intention of the customers to use internet banking services. Table (4.7) presents the intention of the internet banking perceived by customers.

Table (4.7) Intention

Sr.No	Statement	Mean
1.	I intend to use Internet banking in the future	3.79
2.	Internet banking is more accessible than visiting a bank or phone banking	3.64
3.	Internet banking is compatible with my lifestyle.	3.47
	Overall Mean Score	3.63

Source: Survey Data, 2019

According to intention Table (4.7), the largest mean score is 3.79 and the respondents agree on they intend to use internet banking in the future. Besides, the mean score 3.64 shows that internet banking is more accessible than visiting a bank or phone banking. The last mean score 3.47 indicates that internet banking is compatible with their lifestyle. According to overall mean 3.63, the intention factor influence on the respondents that people like to use internet banking in the future and compatible with their lifestyle.

4.4 Actual Use of Internet Banking

This section presents the actual usage of the internet banking customers. Table (4.8) presents the actual use of the respondents by mean score.

Table (4.8) Actual Use

Sr.No	Statement	Mean
1.	Using internet banking fits well with the way I like to manage my finances	3.34
2.	The advantages and disadvantages of using internet banking are obvious	3.55
3.	Internet banking is very visible in the public media	3.39
4.	I have seen what others do using internet banking	3.20
5.	Internet banking service really improves the job performance.	3.22
	Overall Mean Score	3.34

Source: Survey Data, 2019

According to Table (4.8), most respondents state that they used internet banking moderately to manage their finances since they do not have to visit to the banks. The respondents found out the benefits and drawbacks of using internet banking. The respondents state that they see advertisements of internet banking in public media very often. In additions, they see people are using the internet banking in transactions. Many people feel that internet banking could improve their job performance since they do not have to go to banks and no need to wait at the bank.

4.5 Relationship of Influencing Factors on Intention

This section finds out which factors influence on customer intention to use the internet banking service. Table (4.9) presents the relationship between influencing factors and customer intention by regression model.

Table (4.9) Relationship of Influencing Factors on Intention

Variable	Unstandardized		β	t	Sig
	B	Std Error			
(Constant)	2.084	.482		4.321	.000
Perceived Usefulness	.310***	.092	.179	3.353	.001
Ease of Use	.309***	.067	.254	4.600	.000
Self Efficacy	.576***	.118	.341	4.875	.000
MR	.589***	.110	.505	5.373	.000
MT	.494***	.057	.475	8.593	.000
R Square	.805				
Adjusted R Square	.794				
F value	77.500***				

Source: Survey Data (2019)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table (4.9), the value of R^2 is almost 80 percent thus this specified model could explain about the variation of influencing factors on the intention to use internet banking. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 79 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.794.

Among five independent variables, perceived usefulness has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in perceived usefulness leads to more intention to use internet banking. If there is an increase in perceived usefulness of the customers by 1 unit, this will also raise the intention to use internet banking by .310 unit.

Perceived ease of use has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in perceived ease of use leads to more intention to use internet banking. If

there is an increase in perceived ease of use of the customers by 1 unit, this will also raise the intention to use internet banking by .309 unit.

Self efficacy has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in self efficacy of customers leads to more intention to use internet banking. If there is an increase in self efficacy of the customers by 1 unit, this will also raise the intention to use internet banking by .576 unit.

Risk has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in better risk management leads to more intention to use internet banking. If there is an increase in risk by 1 unit, this will also raise the intention to use internet banking by .589 unit.

Trial ability has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in trial ability leads to more intention to use internet banking. If there is an increase in trial ability by 1 unit, this will also raise the intention to use internet banking by .494 unit.

The standardized coefficient (Beta) of risk has the largest value (.505) among five explanatory variables indicating that perceived risk has the greatest contribution to increase the intention to use internet banking when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the intention to use internet banking well because the estimation produced expected signs and significant coefficients for most variables. The increases in perceived usefulness, perceived ease of use, self efficacy, risk and trail ability have the positive effects on intention to use internet banking.

4.6 Relationship of Intention on Actual Use

This section finds out customer intention leads to use the internet banking service. Table (4.10) presents the relationship between customer intention and actual use by regression model.

Table (4.10) Relationship of Intention on Actual Use

Variable	Unstandardized		β	t	Sig
	B	Std Error			
(Constant)	.363	.244		1.487	.140
Intention to Use	.812***	.066	.780	12.33	.000
R Square	.608				
Adjusted R Square	.604				
F value	152.029***				

Source: Survey Data (2019)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table (4.10), the value of R^2 is almost 60 percent thus this specified model could explain about the variation of intention to use internet banking on the actual use of people. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 60 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.604.

Intention to use has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in intention to use internet banking leads to more actual use of people. If there is an increase in intention to use internet banking of the customers by 1 unit, this will also raise the actual use of people by .812 unit.

CHAPTER 5

CONCLUSION

This chapter includes three sections. First one presents the findings and discussions. The second one mentions suggestions and recommendations.

5.1 Findings and Discussion

The study focuses on the factor influencing the usage of internet banking. It aims to identify factors influencing the usage of internet banking services in Myanmar private bank and analyse the influencing factors effect on intention to use and actual use. Structured questionnaire is collected from 100 internet banking users.

In relation to demographics, the survey result shows that most of the internet banking users is between 30 and 39 years old and they are educated. Most of the internet banking users is females and singles since they do want to go outside with a lot of money.

As regards perceived usefulness, users strongly agree that internet banking could make the banking process fast without going to the bank. Thus, they find it useful and easier to make banking related tasks. Most users find that internet banking improves their business and personal activities. In additions, they state that internet banking enables them to check transactions and account update whenever they want. In general, most of the user agrees that internet banking is useful for them.

In relation to ease of use, most users perceived internet banking is easy to use although it is a new technology. Thus, they do not have to spend much time to learn internet banking. They state internet banking allows users to control more banking related activities than mobile phones and it is more easier to do transactions than at the bank since internet banking offers many kinds of banking operations. But sometimes, some users found complicated when they use new functions. In general, most users perceived internet banking is easy to use.

Regarding self-efficacy, most users could use the internet banking only by the online support as it is easy. Users do not need anyone to explain how to use it. Thus,

they have confidence when using the internet banking service. Moreover, they feel that they could still use the internet banking even if they change the banks or the computer system was changed. It is found that most respondents have the confidence when they use the internet banking at the first time. Generally, it is found that most users have the good self-efficacy for internet banking.

In relation to perceived risk, although most of the respondent's state that they could does bank transactions easily by internet banking, they may have risk of fraud and lose of money. By using internet banking, the private information may be leak at online. Thus, users have the moderate level of fear about the security of internet banking. Moreover, they admit that internet banking will lead to fewer personal interactions with bank staff who could give suggestions and recommendations. Generally, people feel moderate level of risk regarding with internet banking.

Concerning trial ability, most users have the change to use the internet banking as trial and they could learn the ability or functions of internet banking. In additions, many users know where they can find the information about the internet banking. Many people state that they would like to use internet banking at least 1 month trial. By and large, many people get the trial opportunity in order to learn the functions of the internet banking so that users could evaluate the internet banking functionality.

Regarding intention to use internet banking, most respondents think internet banking could be useful and easy for their banking activities without going to the bank. Thus, they have the intention to use the internet banking service. In additions, many respondents perceive that internet banking is more relevant to their life styles and more accessible than ordinary banks.

The regression result proves that all independent variables have the positive relationship with dependent variables. Among them, risk factor has the greatest affect on user intention. In additions, the study proves that intention leads to actual use of internet banking.

5.2 Suggestions and Recommendations

Myanmar private banks should pay more attention to demographic data of the internet banking users. In these they should focus promotions for middle aged and

educated women. Most of the women are singles and they do not want to carry a lot of cash in hand. Thus, bank should offer internet banking with common banking facilities.

For perceived usefulness, the internet banking offers the wide range of services that users usually do. In additions, most users do for everyday business transactions and pay for utility bills. Thus, the private internet banking should offer transactions for utility bills easily. Then, internet banking users will find it more useful.

For ease of use, currently most users state internet banking is easy to use with the support from the system. To be easier, the private bank should offer to change the system in English and Myanmar language. Then, users will find it easier to use the internet banking. In additions, the private bank offers the real time chart for users during the office hours. It is recommended to give FAQs (Frequency Asked Questions) so that users could find the answers of their questions.

For risk, many people are aware of the risk in using the internet banking. Thus, private banks should develop their internet banking system more securely. Furthermore, the banks should alert fraud messages to internet banking users. Then, most internet banking customers will feel safe.

For trial ability, private banks should offer trial period more than one month. In additions, the banks should allow full banking facility at the trial period. By having the chance for trial, user will know whether it is easy to use or useful for their business context or daily activities.

Private Banks should make flyers, brochure and advertisings to get more intention of potential internet banking users by letting them know that the system is very useful and time saving for their banking activities. This will motivate potential users to use internet banking application.

According to analytical result, private banks should pay more attention to risk factors by improving the security features in order to make safe transactions. Private banks should make the customized software and cooperate with top security companies in order to improve the security of their system.

5.3 Needs for Further Research

The study focuses on the factor influencing the usage of internet banking to identify factors influencing the usage of internet banking services in Myanmar private

bank by asking 100 internet banking users. This study does not include the other products and services of banks. In additions, this study only focuses the users in. Thus, the further study should do by collecting more users in different townships in order to get bigger picture. In additions, the further study should cover the other banking products and services to find out the influencing factors of banking users when they select the banks.

It is recommended that the further study should focus the influencing factors on internet banking customers in the neighbouring countries. Those findings will be useful for the Myanmar private banks.