

UNIVERSITI TEKNOLOGI MARA

**INNOVATION RESISTANCE
(MOBILE BANKING) – A CASE OF
HONG LEONG BANK BERHAD
(HLBB)**

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IT Project submitted in partial fulfillment
of the requirements for the degree of
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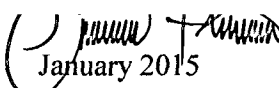
January 2015

STUDENT'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

Mobile banking is a new innovation introduced by financial institutions after internet banking to improve and provide more efficient services to their customers. Mobile Banking is a service where customers can obtain banking information and perform banking transaction activities such as balance checking, money transfer to another account, bill payment by using via product of like a mobile phone. Although there are many research related to mobile banking, but little attention paid to the user resistance or barrier of this innovation. Most of the studies focus on adoption and intention to use this technology. Financial institutions that use or intensity using these innovations need to pay more attention to user resistance. User resistance or barriers to innovation will lead to certain restrictions and slow user acceptance. This study aims to identify and analyze the relationship between user resistance and different factors from innovation's characteristics and demographic factor. Six out of eight hypothesis was accepted (H1: Relative Advantage, H2: Compatibility, H3: Complexity, H4: Perceived Risk, H7: Education, H8: Income) while H5: Expectation for Better Services and product, H6: Age was rejected. Compatibility, Complexity and Perceived Risk are found as important factors that affect and determine consumers' resistance to mobile banking. Relative Advantage and Compatibility are found negatively effect on resistance mobile banking, while Complexity and Perceived Risk are found positively effect on resistance mobile banking.

Keywords: Mobile Banking, Consumer Resistance, Innovation Characteristic, Consumer Characteristic

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