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THE INFLUENTIAL AND IMPEDING FACTORS THAT AFFECTING THE
ADOPTION OF MOBILE BANKING AMONG YOUNG WORKING ADULT IN
KUCHING, SARAWAK

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Chapter 1

Chapter 2

Chapter 3

CHAPTER 1

1.0   INTODUCTION

Mobiles' banking is one of the products and services offered in the commercial banking institutions. Mobile banking help customer to access their banks needs through their palm electronic device or gadgets such as mobile phone, PDAs etc. Mobile banking enables banking consumer to access their bank accounts through mobile devices to check their balance, to conduct the transactions, get their bank statements and pay their bills sitting in the comfort of their homes, offices and everywhere they are. Mobile banking is the subset and the newest emerging channel of electronic banking and it can also be called as 'pocket banking' for the users (Dasgupta, Paul, & Fuloria, 2011).

The hasty technology advanced in mobile-based technologies has created the opportunities in financial institutions especially the commercial banks in the world. As technology develops, both consumer and commercial bank are taking advantages of the efficiencies it brings. Mobile banking which also known as M-Banking is a phrase to described the used of it and it is similar to the Internet baking by providing the fast and convenient way in performing various banking transactions such as balance checking, account transactions, payment, credit applications through a mobile devices, for example mobile phone, Smartphone (including iPhones and Blackberries), iPad, Pocket PCs, tablet PCs, Personal Digital Assistant (PDA) or any handheld devices that connected to online banking services. A broader and more general definition of mobile banking is given by Poutsttchi & Schurig (2004) at the 37th Hawaii International Conference of System Science which they definee Mobile banking as type of execution of financial services in the course

CHAPTER 2

2.0   Literature Review

2.1   Commercial Bank

Commercial bank is the largest and most significant providers of funds in the banking system. In Malaysia, there are currently 25 commercial banks (excluding Islamic banks) of which 13 are locally incorporated foreign banks (Central Bank of Malaysia, 2012). The main functions of commercial banks are to provide:

- Retail banking services such as the acceptance of deposit, granting the loans and advances, and financial guarantees;

- Trade financing facilities such as letters of credit, discounting of trade bills, shipping guarantees, trust receipts and Bankers Acceptances;

- Treasury services

- Cross border payment services and

- Custody services such as safe deposits and share custody.

2.2   Mobile Banking

Mobile banking channels are the newest form of services offerings by the commercial banks to their banking customer (Dasgupta, Paul, & Fuloria, 2011). In the most previous study, internet banking already well-known and mobile banking is looked as services add – on the existing channels of internet banking. However, not most of develop countries follow

CHAPTER 3

3.0   Research Methodology

3.1   Measurement and Instrument

The researcher is applying a descriptive method in this research study. The instrument that will be used for this research is by distributing questionnaires. The questionnaire designed was selected because a similar method was taken a study by Dasgupta, Paul, & Fuloria (2011) on the research. Besides that, distributing pilot study also has been made to see whether the questionnaire design can be used or not. The design can be adjusted from time to time if there are errors in the pilot study, adjustment can be made. The questionnaire will be answered with Likert 5-scale starting from 1- Strongly Disagree to 5-Strongly Agree which will be distributed. The questionnaire also used ranking scale and dichotomous question such as 'Yes" and 'No' question which respondent need to ranking and answer the important element for the research studies.

3.2   Data Collection Method

There is two type of method that will be used in this research to determine the problem which is primary and secondary data. For primary data, questionnaire will be designed in order to collect the required data for analyzing the factors affecting the adoption of mobile banking in Kuching, Sarawak. The data will be run via SPSS and demographic of consumer. The respondent of the study are young working adults of Kuching, Sarawak. Young working adults as respondents comprises young people aged between 15 to 39 years inclusive by Bleyer (2011). The respondents will be selected based on the table sampling propose by Sekaran & Bougie (2010). According to Departments of Statistics Malaysia