

THE IMPACT OF TECHNOLOGY ON BANKS' DISTRIBUTION CHANNELS

A research paper submitted to MARA Institute of Technology in
partial fulfillment of the requirement for the

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE**

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APRIL 1997

EXECUTIVE SUMMARY

This research studies on the impact of technology on banks distribution channels. There are various types of banks' distribution channels, but this study will focus only on Automated Teller Machines (ATM) and home banking because they are the latest technology being implemented by the banks and well accepted by the customers.

The performance will be looked from the overall information technology expenditure and the types of delivery channels in the banking industry, by looking at each sector, commercial banks, finance companies and merchant banks. It will cover the study of five consecutive years, 1991-1995.

It is concluded that these distribution channels have been proven successful and well accepted by the customers and the bankers where it gives fast and convenient services to customers with lower costs incurred by the bank. It is also hoped that the findings of this research will provide some new and practical insight into the quality of services provided by banks in Malaysia.

ACKNOWLEDGMENT

Praise to Allah S.W.T. for His blessing, by giving me the strength and wisdom in preparing and completing this research. I owe a debt that can never fully be repaid to my parents who vicariously labored and felt the many pressures of turning ideas into pages and chapters. For their patience, understanding and support, I am deeply grateful. Without their prayers and encouragement, this project paper would not have been possible.

My gratitude also goes to my advisor, Prof. Madya Mohd. Kamal Abdul Rahman for his time, ideas and continuous guidance throughout the period of the study to further improve my report.

I am also indebted to these following people who have supplied me with some useful materials and information ;

- Cik Ammelia Harun

Public Relation Officer of the Retail Banking

Hong Leong Bank Berhad, and

A STUDY ON THE IMPACT OF TECHNOLOGY ON BANKS' DISTRIBUTION CHANNEL.

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