



اَوْنِبُورْسِيَّتِي تِيكْنُولُوجِي مَارَا

UNIVERSITI TEKNOLOGI MARA  
CAWANGAN KELANTAN

**INTERNET BANKING SERVICE AND INTENTION  
TO USE AMONG CUSTOMER IN BANKING  
INSTITUTIONS**

**SITI ZALEHA BT JUSOH@GHAZALI**

**2009186631**

**BACHELOR OF BUSINESS ADMINISTRATION (HONS)**

**FINANCE**

**FACULTY OF BUSINESS AND MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**KELANTAN**

**JANUARY 2012**

## LETTER OF SUBMISSION

Siti Zaleha bt Jusoh@Ghazali  
Bachelor of Business Administration (Hons) Finance  
Faculty of Business Management  
Universiti Teknologi MARA  
Bangunan KUB  
Jalan Sultan Ibrahim  
15050 Kota Bharu

January 2012

Head of Program  
Bachelor of Business Administration (Hons) Finance  
Faculty of Business Management  
Universiti Teknologi MARA  
Bangunan KUB  
Jalan Sultan Ibrahim  
15050 Kota Bharu

Dear Madam,

### **SUBMISSION OF FINANCE PROJECT PAPER (FIN 667)**

Attached is the copy of Finance Project Paper (FIN 667) entitled “**Internet Banking Service and Intention to Use Among Customer in Banking Institutions**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You.

Yours sincerely

---

(SITI ZALEHA BT JUSOH@GHAZALI)

2009186631

Bachelor of Business Administration (Hons) Finance

## ACKNOWLEDGEMENT

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

***“With the name of Allah, the Most Merciful and Most Compassionate”***

Alhamdulillah to Allah SWT, the most gracious, the most merciful and peace is upon his messenger Holy Prophet Muhammad S.A.W praise to Allah S.W.T for giving me courage, time and acknowledge in completing this research.

I would like to take this opportunity to express my appreciation and heartiest gratitude to my kindly, patience and helpful advisor, Mrs Nadia Farleena Mohd Aznan for his guidance and advise as well as suggestion given throughout the preparation and undertaking of this study.

I am also greatly indebted to UiTM lecturers, especially to Associate Prof Dr. Nik Maheran Nik Muhammad as my second advisor for his supervising and support for me to complete this research. My gratitude is also extended to all staffs and lecturers in UiTM Kota Bharu who had contributed their effort, knowledge and support to me.

My appreciations also are conveyed to all the individuals who are willing to be the respondents and answering the questionnaire. My overriding debt is to my loving family, Eshah bt Mahmud and family members who provided the time, support and inspiration needed to prepare this research.

## TABLE OF CONTENTS

CONTENTS	PAGE
DECLARATION OF ORIGINAL WORK	i
LETTER OF TRANSMITTAL	ii
ACKNOWLEDGEMENT	iii
TABLE OF CONTENTS	v
LIST OF TABLES	ix
ABSTRACT	x
<b>CHAPTER 1: INTRODUCTION</b>	
1.0 INTRODUCTION	1
1.1 OVERVIEW OF INTERNET BANKING	1
1.2 BACKGROUND OF STUDY	1
1.3 PROBLEM STATEMENT	3
1.4 OBJECTIVES OF THE STUDY	4
1.5 SIGNIFICANCE OF THE STUDY	5
1.6 DEFINITION OF TERMS	6
<b>CHAPTER 2: LITERATURE REVIEW</b>	
2.0 INTRODUCTION	8
2.1 CUSTOMER INTENTION TO USE	8

## **ABSTRACT**

The aim of this study was to examine the factors that affecting customer intention to use internet banking among customer in banking institutions. There are four factors that has been studied, which are responsiveness, security, reliability and ease of use. In collecting data, the present study used the primary data. Moreover, questionnaires had been used in order to get feedback from individuals who are use or intention to use internet banking. Researcher had distributed and collected 100 questionnaires. The data collected was then tested on its frequency, and then further analyzed using factor analysis, reliability analysis as well as regression analysis. The finding shows that in spite of their responsiveness, customers are willing to use internet banking if banks provide him necessary guidance. Based on the results of current study, Bank's managers would segment the market on the basis of security, reliability and ease of use and take their opinion and will provide them necessary guidance regarding use of internet banking. In short it can be concluded that responsiveness is the driver of the intention to use Internet banking.