



UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT INFLUENCE THE ADOPTION
OF INTERNET BANKING AMONG PUBLIC**

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Thesis submitted in fulfillment of the
requirements for the
**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) IN ISLAMIC BANKING**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
SEGAMAT, JOHOR**

DECEMBER 2016

ACKNOWLEDGEMENT

First and foremost, I am feel very grateful to Allah S.W.T for His blessing as well as permission and give me the strength to complete this research. During completing this research I had received so many knowledge and experience regarding this research. Many people had contributed their enery, knowledge as well as time in order to help me to settle this research. I would like to express my appreciation to my advisor, Madam Nurul Aien binti Abd Aziz, who had assist me by giving comments as well as suggestion regarding to my thesis and also give support to finished the research. Then, I also would like to say thank you to all the respondents who are involvd in answering the questionnaires as if they do not give their cooperation this research cannot be made. Next, I would likt to give my special thanks to my family especially my parents for always support me not only in terms of moral but also financial assistance in doing this research. Lastly, I would like to give my thanks to my friends who are also helping me in run the data as well as willing to share important information about the thesis. Thank you very much.

Nabilah binti Bistamam

December, 2016

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ABSTRACT

Internet banking adoption are important to both customer as well as banking institutions. The purpose of the study is to identify the factors that will influence the adoption of internet banking among public. The factors that involved are cost saving, security concern, convenience, features availability as well as accessibility. This study involved two stages, the first stage are involved pilot test. Whereby the questionnaires involved are using scale from 1 until 7. The test of normality that had been test for pilot test showed that for skewness it is between -1 until +1 which mean that the questionnaire are normally being distributed. The variables involved are all above 0.7 where as for Kaiser-Meyer-Olkin (KMO) were 0.808. Bsed on the result, this research has transfer certai question into another section. Then the second stage is involved the complete questionnaires where 230 set of questionnaires are being distributed but only 200 are being returned with full answer. The result from this research are only two factor are significant which is cost saving as well as convenience while another factors such as security concern, accessibility and features availabiity are not significant. This research use Microsoft Excell as well as SPSS software in order to analyzed the data and get reliable result.

Keywords: Internet bnking adoption, Cost Saving, Security Concern, Convenience Features Availability and Accessibility.

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

As the world are becoming more into technology based, the lifestyle of people will be changed where the way they managed their daily routines will be more advanced as there were new existence of tools and ways to done it. For example, in ancient time people have to washing clothes by using their own hands but with the technology development that had been made, they can wash the clothes by using washing machine. Not only that, previously people have to go to library and read newspaper in order to get information, nowadays they can find any information that they want by searching it in internet. This showed that the new technology advanced such as internet can be took as major helper for human as it easier human work. With that reasons many other tools are also using internet as their intermediation to reach people around the world. For instance, businessman nowadays do not have to meet their customers face to face since every details that related to the products or services can be put in the internet so that the customers that are interested to buy can read the information provided.

According to Department of Statistic in Malaysia for the year of 2015, 86.6% of Malaysians are using internet at least once a day. They are using this internet facility to do their formal and non- formal purposes. Example of formal purpose is sending or receiving email while for non- formal purpose are downloading music, electronic books