

Factors Influencing the Adoption of Internet Banking: A Case of Commercial Banks in Sri Lanka

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Internet banking service provides true mobility, convenience and speed service. Still most of the retail customers do not accept this innovative service and they resist to use or less use. This paper investigates the factors influencing the adoption of internet banking by using 143 retail customers of five leading commercial banks in Sri Lanka. Decomposed Theory of Planned Behavior was used to develop the model to identify the factors influencing the customers' decision whether to use internet banking. A sample survey was conducted to collect data from the registered customers for internet banking in leading five commercial banks in Sri Lanka through a structured questionnaire using the convenience sampling method. Correlation and Multiple Regressions were used to analyze the data. The findings revealed that the relative advantage, experience, self- efficacy, technological support have a significant positive effect on intention towards using internet banking whereas compatibility, trial ability, risk and complexity have a negative effect on adoption for internet banking. The policy makers should follow customer oriented strategies to increase rate of the internet banking users in the early adoption stages. The banks can rationally use pull strategy to attract new customers for the service and to protect the existing internet banking users for long run.

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