FACTORS INFLUENCING THE INTENTION TO USE MOBILE BANKING SERVICES IN BANGKOK, THAILAND

1PANJAPORN CHANSAENROJ, 2RAPEEPAT TECHAKITTIROJ

1,2Assumption University, Thailand
E-mail: 1panjaporn.c@gmail.com, 2RapeepatTch@au.edu

Abstract - Nowadays, Mobile Banking can help the customer to manage their account anytime and anywhere on their devices or mobile phone, the customer can simply log into the mobile banking service in each bank. This research aims to identify the factors which affect the consumer to use the mobile banking services which bank can use this information to improve their system and services efficiently. The finding shows that the perceived usefulness, perceived ease of use, the perceived cost and perceived risk were affected with the intention to use mobile banking.

Keywords - Bangkok, Banking Service, Intention to Use, Mobile Banking, Thailand.

I. INTRODUCTION

Nowadays, the improvement in technology has challenge the financial institution to shift from traditional branch banking to electronic banking. Mobile Banking is generally perceived as forms of electronic banking. It is the channel for bank to deliver the services for the customer. The customer can directly access mobile banking by wireless and devices (Mobile phone) to do the transaction by themselves. Mobile Banking can helps the customer to manage their account anytime and anywhere on their devices or mobile phone, the customer can simply log into the mobile banking service in each bank which this process can save time and save transportation cost for customer to do the transaction e.g. the customer no need to go to the bank branch for do the transaction. And it is clear that mobile banking via smart phones is on trend to grow rapidly in the following years.

Even though, the mobile devices are easy to use and the people can bring the mobile phone almost in everywhere. The bank can provide users with easy access to the personal data and financial account by using the application. However, some people prefer to go to the bank when they would like to do the transaction to avoid the risk for transaction error and some risk for data loss and the risk from hacking.

This research aims to identify the factors which affect the intention to use the mobile banking services.

II. LITERATURE REVIEWS

In the literature, there are several research focused on the attitude or consumer behavior and the factor which affect to the intention to use mobile banking. Akturan and Tezcan (2012) aims to investigate consumers’ mobile banking adoption through an integration of the technology acceptance model (TAM) with work on perceived benefits and perceived risks. The result of the study showed that all of variable which are the perceived usefulness, perceived benefit, perceived performance risk and perceived social risk have directly affected to the attitudes towards mobile banking. Moreover, the attitude is the main factor of the intention to use mobile banking. In addition, there is no direct relationship between perceived usefulness and intention to use, perceived ease of use and attitude, financial risk, time risk, security or privacy risk and attitude was detected.

Meanwhile, the result from research of Riquelme and Rios (2010) which aims to test the factors that can influence adoption of mobile banking among current users of internet banking in Singapore and gender as a moderating variable, showed that usefulness, social norms and social risk, in this order, are the factors that influence the intention to use mobile banking services the most. While ease of use has a stronger influence on female respondents more than male, whereas relative advantage has a stronger effect on perception of usefulness on male respondents. Moreover, social norms (or the importance of others in the decision), also influence to use more strongly among female respondents more than male.

The other research is the research of Koenig-Lewis, Palmer and Moll (2010) aims to investigate the barriers for use mobile banking services. From a methodological perspective, this paper attempt to build on two widely used models for technology adoption, the Technology Acceptance Model (TAM) and Innovation Diffusion Theory and to test a model that is better able to predict consumers’ intention to use mobile banking. The results of the study showed that the compatibility, perceived usefulness, and risk are significant indicators for the use of mobile banking services. The compatibility not only had a strong direct effect but was also identified as an important antecedent for perceived ease of use, perceived usefulness and credibility. While trust and credibility are crucial in reducing the overall perceived risk of mobile banking.

Other research is the research of Chen (2013) which discusses about the effects of diffusion and use of mobile banking services, perceived risk, brand...
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III. CONCEPTUAL FRAMEWORK

There are 4 independent variables proposed in the model which are believed that they influence intention to use Mobile Banking, which are listed as followings;

1. Perceived usefulness
2. Perceived ease of use
3. Perceived costs
4. Perceived risk

H1. Perceived usefulness of the mobile banking do not affect the intention to use mobile banking.

Perceived usefulness defined as the consumer’s evaluation of satisfaction to use the mobile banking services. The consumers will look for the services which offer the best value for money. Thus, perceived usefulness will influence their intention to use the Mobile banking.

H2. Perceived ease of use of the mobile device for banking transactions do not affect the intention to use mobile banking.

Prior research show that perceived ease of use has a significant effect on usage intention, either directly or indirectly through its effect on perceived usefulness (Davis, 1989; Venkatesh, 2000; Venkatesh and Davis, 1996). Moreover, the perceived ease of use helps in building trust with the banks as it may send a signal that banks have really put in thought about their end users. A system that is easy to use will accomplish tasks easily rather than system that is difficult to use.

H3. Perceived cost of the mobile banking do not affect the intention to use mobile banking.

Perceived cost referred to the transaction cost which may include the transaction cost in the form of bank charges, mobile network charges for sending communication traffic (SMS) and mobile device cost.

H4. Perception of risk of mobile banking do not affect the intention to use mobile banking.

Perceived risk defined as the risk of performance, security or privacy, time or convenience and financial risk.

IV. PRESENTATION OF DATA AND CRITICAL DISCUSSION OF RESULTS

There were 410 initial respondents, but 10 responses with missing values were deleted, so 400 eligible respondents finished the survey within 1 week.

Demographic

According to the pie chart of respondent profile for gender, it showed that most of respondents, which 54% are Female, and 46% for the male.

Respondent ages were categorized into three groups: 22-30 years, 31-40 years, and more than 40 years old. Most respondents were aged between 22-30 years old.
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which is 216 person. Then other 123 respondents were aged between 31-40 years old and 61 respondent were aged more than 40 years old.

The respondent’s income per month was categorized into four ranges: below 15,000 Baht or about 15,000 Baht, 15,001-25,000 Baht, 25,001-35,000 Baht and more than 35,000 Baht. Most of respondents’ income per month were more than 35,000 Baht which is 186 persons, while other 107 of respondents’ income per month were 15,001-25,000 Baht, and 90 respondents were 25,001-35,000 Baht and 17 respondents were below 15,000 Baht or about 15,000.

The respondent’s occupation was categorized into six categories: Business owner, Company employee, Freelance, Government officer, Unemployed and others. Most respondents (68%) were company employee, 14 % were business owner, 6 % were freelance, 6% were government officer, 4% were unemployed and 2 % were others.

The respondent’s highest education level was categorized into 3 categories: High School or lower, Bachelor Degree and Master Degree or higher. Most of respondents’ education level were Bachelor Degree which is 205 respondents, 180 respondents were Master degree or Higher and 14 respondent were high school or lower.

The respondent's marital status was categorized into three categories: Single, Married and Divorced. Most of respondents (81%) were Single, 18% were Married and 1% were Divorced.

Analysis of Relationships

The analysis of the relationship between perceived usefulness of the mobile banking and the intention to use mobile banking by using spearman’s correlation, the result showed that the Sig. at 0.000 is less than 0.05 (0.000< 0.05). It means that the hypothesis was rejected. There is a positive relationship between perceived usefulness of the mobile banking and the intention to use mobile banking.

The analysis of the relationship between ease of use of the mobile banking and the intention to use mobile banking by using spearman’s correlation, the result showed that the Sig. at 0.000 is less than 0.05 (0.000< 0.05). It means that the hypothesis was rejected. There is a positive relationship between perceived ease of use of the mobile banking and the intention to use mobile banking.

The analysis of the relationship between perceived cost of the mobile banking and the intention to use mobile banking by using spearman’s correlation, the result showed that the Sig. at 0.028 is less than 0.05 (0.000< 0.05). It means that the hypothesis was rejected. There is a negative relationship between perceived cost of the mobile banking and the intention to use mobile banking.

The analysis of the relationship between perceived risk of the mobile banking and the intention to use mobile banking by using spearman’s correlation, the result showed that the Sig. at 0.048 is less than 0.05 (0.000< 0.05). It means that the hypothesis was rejected. There is a relationship between perceived risk of the mobile banking and the intention to use mobile banking.
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<th>Coefficient of Correlation</th>
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<td>Spearman's Correlation</td>
<td>Reject</td>
<td>.471</td>
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<td>Reject</td>
<td>.099</td>
</tr>
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</table>

V. SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Base on the previous study, the perceived usefulness, perceived ease of use, the perceived cost and perceived risk were affected with the intention to use mobile banking, these factors influenced consumers’ attitude which lead to intention to use mobile banking. However, this research test these variables in term of these variables have directly relationship with the intention to use mobile banking. According to 4 hypotheses, after analysis by spearman’s correlation, all the variable are effected the intention to use mobile banking. The result show that there is a positive relationship between perceived usefulness of the mobile banking and the intention to use mobile banking and this variable has most effect to intention to use mobile banking. So, as the definition of this variable the perceived usefulness defined as the consumer’s evaluation of desirability to use the system or product, that mean the mobile banking services can meet customer satisfaction or the services offer the best value and this is the strength point of the mobile banking services. While the relationship between perceived ease of use of the mobile banking, a system that is easy to use will accomplish tasks easily rather than system that is difficult to use, and the intention to use mobile banking is also has the positive relationship. However, there is negative relationship between perceived cost which is the transaction cost which may include the transaction cost in the form of bank charges, mobile network charges for sending communication traffic (SMS) and mobile device cost of the mobile banking services and the intention to use mobile banking and this variable is kind of weakness of mobile banking services. Moreover, the perceived risk of the mobile banking and the intention to use mobile banking has a positive relationship.

It is not be surprising that perceived usefulness, perceived ease of use have a positive relationship and perceived cost have a negative relationship with the intention to use mobile banking. However, the perceived risk, which is the risk of performance, security or privacy, time or convenience and financial risk of the mobile banking should be negative relationship instead of positive relationship and should be the weakness of this services. Maybe, it because the question in the perceived risk part is “negative” question so when run the data if use the same scoring with the other it will show in positive way. Or it can mean that even though the customer perceived the risk of mobile banking services but still would like to use it because they can accept some risk that maybe occur.

RECOMMENDATIONS

For banks, they should improve the services to reduce risk and try to waive the transaction cost for this services.

For the Bank of Thailand may use this information to set the policy or control the bank to provide the suitable mobile banking services to the consumer.e.g. control the policy for privacy information to reduce risk or set the system to prevent the loss which can be occur.

FURTHER RESEARCH

The research could research on people in various area not only people in Bangkok and narrow down the target group by ages or occupation. The research should include more variables. Firstly, trust is an important thing to concern because each people are more likely to collaborate if they trust in that brand or services. Secondly, lifestyle can also affect the intention to use mobile banking services for example the technology lover may prefer to use mobile banking services. Lastly, we cannot denied that social influence have strong effect on people decision. Moreover, the researcher should test all the variables which affect the attitude toward the intention to use mobile banking for more understanding.
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REFERENCES


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