UNIVERSITI
MALAYSIA
KELANTAN

**FACULTY OF ENTREPRENEURSHIP AND BUSINESS**

**PROPOSAL OF FINAL YEAR RESEARCH PROJECT**

**FACTOR OF THE ACCEPTANCE OF ONLINE BANKING TRANSACTION AMONG UNDERGRADUATES OF UNIVERSITY MALAYSIA KELANTAN**

| Programme | Bachelor of Business Administration (Islamic Banking and Finance) With Honors |
|---|---|
| **Name of Supervisor** | Prof. Madya Dr. Azwan Bin Abdullah |
| **Name of Examiner** | Dr. Noormariana Binti Mohd Din |
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# ASSESSMENT FORM FOR RESEARCH PROJECT I

**Student's Name: MUHAMMAD FARIS BIN ANUAR**

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**Matric No. A19A0340**

**Student's Name: MUHAMMAD HARITH AIMAN BIN AZLAN**

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**Matric No. A19A0350**

**Name of Supervisor: Prof. Madya Dr. Azwan Bin Abdullah**

**Name of Programme: SAB**

**Research Topic: FACTOR INFLUENCE THE ACCEPTANCE OF USING ONLINE BANKING AMONG UNDERGRADUATES OF UIVERSITY MALAYSIA KELANTAN**

Student's Name:_____

 Matric No. _____

Name of Supervisor: _____

 Name of Programme: _____

Research Topic: _____

| NO. | CRITERIA | PERFORMANCE LEVEL | | | | WEIGHT | TOTAL |
|---|---|---|---|---|---|---|---|
| | | POOR (1 MARK) | FAIR (2 MARKS) | GOOD (3 MARKS) | EXCELLENT (4 MARKS) | | |
| 1. | **Content (10 MARKS)** (Research objective and Research Methodology in accordance to comprehensive literature review) Content of report is systematic and scientific (Systematic includes Background of study, Problem Statement, Research Objective, Research Question) (Scientific refers to researchable topic) | Poorly clarified and not focused on Research objective and Research Methodology in accordance to comprehensive literature review. | Fairly defined and fairly focused on Research objective and Research Methodology in accordance to comprehensive literature review. | Good and clear of Research objective and Research Methodology in accordance to comprehensive literature review with good facts. | Strong and very clear of Research objective and Research Methodology in accordance to comprehensive literature review with very good facts. | ____ x 1.25 (Max : 5) | |
| | | Content of report is written unsystematic that not include Background of study, Problem Statement, Research Objective, Research Question and unscientific with unsearchable topic. | Content of report is written less systematic with include fairly Background of study, Problem Statement, Research Objective, Research Question and less scientific with fairly researchable topic. | Content of report is written systematic with include good Background of study, Problem Statement, Research Objective, Research Question and scientific with good researchable topic. | Content of report is written very systematic with excellent Background of study, Problem Statement, Research Objective, Research Question and scientific with very good researchable topic. | ____ x 1.25 (Max : 5) | |
| 2. | **Overall report** *Submit according to acquire* | The report is not produced according to the specified | The report is produced according to | The report is produced | The report is produced | ____ x 0.25 | |

| | form at (5 MAR KS) | d format | time and/ or according to the format | the specified time but fails to adhere to the format. | on time, adheres to the format but with few weaknesse s. | on time, adheres to the format without any weaknesse s. | (Max: 1) | |
|---|---|---|---|---|---|---|---|---|
| | | Writing styles (clarity, expres sion of ideas and cohere nce) | The report is poorly written and difficult to read. Many points are not explained well. Flow of ideas is incoherent. | The report is adequately written; Some points lack clarity. Flow of ideas is less coherent. | The report is well written and easy to read; Majority of the points is well explained, and flow of ideas is coherent. | The report is written in an excellent manner and easy to read. All of the points made are crystal clear with coherent argument. | ___ x 0.25 (Ma x: 1) | |
| | | Technic ality (Gram mar, theory, logic and reasoni ng) | The report is grammatic ally, theoreticall y, technically and logically incorrect. | There are many errors in the report, grammatic ally, theoreticall y, technically and logically. | The report is grammatical ly, theoretically, technically and logically correct in most of the chapters with few weaknesses . | The report is grammatic ally, theoreticall y, technically , and logically perfect in all chapters without any weaknesse s. | ___ x 0.25 (Ma x: 1) | |
| | | Referen ce list (APA Format) | No or incompl ete referenc e list. | Incomplete reference list and/ or is not according to the format. | Complete reference list with few mistakes in format adherence. | Complete reference list according to format. | ___ x 0.25 (Ma x: 1) | |
| | | Format organiz ing (cover page, spacing , alignme nt, format | Writing is disorganiz ed and underdev eloped with no transitions or closure. | Writing is confuse d and loosely organize d. Transitio ns are | Uses correct writing format. Incorporates a coherent closure. | Writing include a strong beginning, middle, and end with clear transitions and a | ___ x 0.25 (Ma x: 1) | |

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| No. | Criteria | | | | | | |
|---|---|---|---|---|---|---|---|
| | *structure, etc.)* | | weak and closure is ineffective. | | focused closure. | | |
| 3. | **Research Findings and Discussion (20 MARKS)** | Data is not adequate and irrelevant. | Data is fairly adequate and irrelevant. | Data is adequate and relevant. | Data is adequate and very relevant. | ____ x 1 (Max : 4) | |
| | | Measurement is wrong and irrelevant | Measurement is suitable and relevant but need major adjustment. | Measurement is suitable and relevant but need minor adjustment. | Measurement is excellent and very relevant. | ____ x 1 (Max: 4) | |
| | | Data analysis is inaccurate | Data analysis is fairly done but needs major modification. | Data analysis is satisfactory but needs minor modification. | Data analysis is correct and accurate. | ____ x 1 (Max: 4) | |
| | | Data analysis is not supported with relevant output/figures/tables and etc. | Data analysis is fairly supported with relevant output/figures/tables and etc. | Data analysis is adequately supported with relevant output/figures/table and etc. | Data analysis is strongly supported with relevant output/figures/table and etc. | ____ x 1 (Max: 4) | |
| | | Interpretation on analyzed data is wrong. | Interpretation on analyzed data is weak. | Interpretation on analyzed data is satisfactory. | Interpretation on analyzed data is excellent | ____ x 1 (Max: 4) | |
| 4. | **Conclusion and Recommendations (15 MARKS)** | Implication of study is not stated. | Implication of study is weak. | Implication of study is good. | Implication of study is excellent | ____ x 1.25 (Max : 5) | |
| | | Conclusion is not stated | Conclusion is weakly explained. | Conclusion is satisfactorily explained. | Conclusion is well explained. | ____ x 1.25 (Max :5) | |
| | | Recommendation is not adequate | Recommendation is fairly adequate | Recommendation is adequate | Recommendation is adequate | ____ x 1.25 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | and irrelevant. | and irrelevant. | and relevant. | and very relevant. | (Max :5) | |
| | | | | | **TOTAL (50 MARKS)** | | |

Student'sName: _____

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Name of Supervisor: _____

Name of Programme: _____

ResearchTopic: _____

| N O. | CRITERIA | PERFORMANCE LEVEL | | | | WEI GHT | TOT AL |
|---|---|---|---|---|---|---|---|
| | | POOR (1 MARK) | FAIR (2 MARKS) | GOOD (3 MARKS) | EXCELLEN T (4 MARKS) | | |
| 1. | **Content (10 MARKS)** (Research objective and Research Methodology in accordance to comprehensive literature review) Content of report is systematic and scientific (Systematic includes Background of study, Problem Statement, Research Objective, Research Question) (Scientific refers to researchable topic) | Poorly clarified and not focused on Research objective and Research Methodology in accordance to comprehensive literature review. | Fairly defined and fairly focused on Research objective and Research Methodology in accordance to comprehensive literature review. | Good and clear of Research objective and Research Methodology in accordance to comprehensive literature review with good facts. | Strong and very clear of Research objective and Research Methodology in accordance to comprehensive literature review with very good facts. | ____ x 1.25 (Max : 5) | |
| | | Content of report is written unsystematic that not include Background of study, Problem Statement, Research | Content of report is written less systematic with include fairly Background of study, Problem Statement, Research | Content of report is written systematic with include good Background of study, Problem | Content of report is written very systematic with excellent Background of study, Problem | | |

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| | | | Objective, Research Question and unscientific with unsearchable topic. | Objective, Research Question and less scientific with fairly researchable topic. | Statement, Research Objective, Research Question and scientific with good researchable topic. | Statement, Research Objective, Research Question and scientific with very good researchable topic. | ____ x 1.25 (Max : 5) | |
|---|---|---|---|---|---|---|---|---|
| 2. | **Overall report format** **(5 MARKS)** | *Submit according to acquired format* | The report is not produced according to the specified time and/ or according to the format | The report is produced according to the specified time but fails to adhere to the format. | The report is produced on time, adheres to the format but with few weaknesses. | The report is produced on time, adheres to the format without any weaknesses. | ____ x 0.25 (Max: 1) | |
| | | *Writing styles (clarity, expression of ideas and coherence)* | The report is poorly written and difficult to read. Many points are not explained well. Flow of ideas is incoherent. | The report is adequately written; Some points lack clarity. Flow of ideas is less coherent. | The report is well written and easy to read; Majority of the points is well explained, and flow of ideas is coherent. | The report is written in an excellent manner and easy to read. All of the points made are crystal clear with coherent argument. | ____ x 0.25 (Max: 1) | |
| | | *Technicality (Grammar, theory, logic and* | The report is grammatically, technically and | There are many errors in the report, grammatically, theoretically, technically | The report is grammatically, theoretically, technically and logically correct in most of the chapters | The report is grammatically, theoretically, technically, and | ____ x 0.25 | |

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| | | logically incorrect. | and logically. | with few weaknesses. | logically perfect in all chapters without any weaknesses. | (Max: 1) | |
|---|---|---|---|---|---|---|---|
| | *reasoning)* | | | | | | |
| | *Reference list* *(APA Format)* | No or incomplete reference list. | Incomplete reference list and/ or is not according to the format. | Complete reference list with few mistakes in format adherence. | Complete reference list according to format. | ___ x 0.25 (Max: 1) | |
| | *Format organizing* *(cover page, spacing, alignment, format structure, etc.)* | Writing is disorganized and underdeveloped with no transitions or closure. | Writing is confused and loosely organized. Transitions are weak and closure is ineffective. | Uses correct writing format. Incorporates a coherent closure. | Writing include a strong beginning, middle, and end with clear transitions and a focused closure. | ___ x 0.25 (Max: 1) | |
| 3. | **Research Findings and Discussion** **(20 MARKS)** | Data is not adequate and irrelevant. | Data is fairly adequate and irrelevant. | Data is adequate and relevant. | Data is adequate and very relevant. | ___ x 1 (Max: 4) | |
| | | Measurement is wrong and irrelevant | Measurement is suitable and relevant but need | Measurement is suitable and relevant but need | Measurement is excellent | ___ x 1 | |

| | | | | | |
|---|---|---|---|---|---|
| | | major adjustment. | minor adjustment. | and very relevant. | (Max: 4) |
| | | Data analysis is inaccurate | Data analysis is fairly done but needs major modification. | Data analysis is satisfactory but needs minor modification. | Data analysis is correct and accurate. | ____ x 1 <br><br> (Max: 4) |
| | | Data analysis is not supported with relevant output/figures/tables and etc. | Data analysis is fairly supported with relevant output/figures/tables and etc. | Data analysis is adequately supported with relevant output/figures/table and etc. | Data analysis is strongly supported with relevant output/figures/table and etc. | ____ x 1 <br><br> (Max: 4) |
| | | Interpretation on analyzed data is wrong. | Interpretation on analyzed data is weak. | Interpretation on analyzed data is satisfactory. | Interpretation on analyzed data is excellent | ____ x 1 <br><br> (Max: 4) |
| 4. | **Conclusion and Recommendations** <br><br> **(15 MARKS)** | Implication of study is not stated. | Implication of study is weak. | Implication of study is good. | Implication of study is excellent | ____ x 1.25 <br><br> (Max : 5) |
| | | Conclusion is not stated | Conclusion is weakly explained. | Conclusion is satisfactorily explained. | Conclusion is well explained. | ____ x 1.25 <br><br> (Max :5) |
| | | Recommendation is not adequate | Recommendation is fairly adequate | Recommendation is adequate | Recommendation is adequate | ____ x 1.25 |

| | | and irrelevant. | and irrelevant. | and relevant. | and very relevant. | (Max :5) | |
|---|---|---|---|---|---|---|---|
| | | | | | **TOTAL (50 MARKS)** | | |

**TOTAL MARKING SCHEME**

| Assessment | Marks Given By | Marks Given By | Total |
|---|---|---|---|
| (A) Effort (10%) | | | |
| (B) Oral Presentation (20%) | | | / 2 = |
| (C) Research Report (60%) | | | / 2 = |
| (D) Peer Evaluation (10%) i) | | | i) |
| ii) | | | ii) |
| iii) | | | iii) |
| iv) | | | iv) |
| Grand Total | | | i) |
| Grand Total | | | ii) |
| Grand Total | | | iii) |
| Grand Total | | | iv) |

Name of Supervisor/ Examiner: _____Signature: _____

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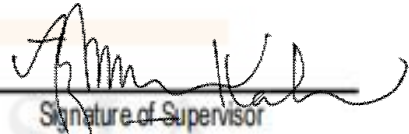
 

Certified by

_Harith_

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Signature                    Signature of Supervisor

Group Representative:   MUHAMMAD HARITH     **PROF. MADYA DR. AZWAN BIN ABDULLAH**
                        AIMAN BIN AZLAN        Pensyarah Kanan

Date:   29/1/2023                        Name: Fakulti Keusahawanan dan Perniagaan
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# ACKNOWLEDGEMENTS

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**Abbreviations**

| | |
|---|---|
| COVID-19 | Coronavirus disease-19 |
| CMCO | Conditional Movement Control Order |
| UMK | University Malaysia Kelantan |
| UMKPC | Universiti Malaysia Kelantan Pengkalan Chepa |
| TAM | Technology Acceptance Model |
| SAB | Business Administration (Islamic Banking and Finance) |
| SAE | Entrepreneurship (2u2i) |
| SAH | Entrepreneurship (Hospitality) |
| SAK | Entrepreneurship (Commerce) |
| SAL | Entrepreneurship (Logistic) |
| SAP | Entrepreneurship (Tourism) |
| SAR | Entrepreneurship (Retail) |
| SAW | Entrepreneurship (Wellness) |
| SD | Standard Deviation |
| ro | Research Objective |
| rq | Research Question |

# ABSTRACT

Online Banking is one of the trend that has been used as one of transaction medium in daily works. There are variety of use of online banking. This study aims to examine the factors that influence the acceptance in using of online banking among undergraduates of University Malaysia Kelantan. This study also will discuss on the function of online banking platform other than making online payment. There are variety range of online banking user which have different determinents on the acceptance of using online banking. Thus study also will explain briefly on the risks that must to be known by the users when using online banking platform. This research will be focussing on the undergraduates of University Malaysia Kelantan,Campus City in Pengkalan Chepa, Kelantan. This research will provide knowledge to researcher on the determinants for undergraduates in accepting of using online banking platform. This research chose University Malaysia Kelantan, City Campus whihc have the most number of undergraduuates. It location which located near at urban area shown that it is located at developing area of Internet. This also will help the researcher to identify and collect the data and information to complete this research.

**Keywords** : Acceptance of using online banking, convinience, security, social influence

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# ABSTRAK

Perbankan Atas Talian merupakan salah satu trend yang telah digunakan sebagai salah satu medium transaksi dalam kerja harian. Terdapat pelbagai penggunaan perbankan atas talian. Kajian ini bertujuan untuk mengkaji faktor-faktor yang mempengaruhi penerimaan penggunaan perbankan dalam talian dalam kalangan mahasiswa Universiti Malaysia Kelantan. Kajian ini juga akan membincangkan tentang fungsi platform perbankan atas talian selain daripada membuat pembayaran atas talian. Terdapat pelbagai jenis pengguna perbankan dalam talian yang mempunyai penentu berbeza terhadap penerimaan menggunakan perbankan dalam talian. Justeru kajian juga akan menerangkan secara ringkas tentang risiko yang perlu diketahui oleh pengguna apabila menggunakan platform perbankan dalam talian. Kajian ini dibuat dengan menumpukan kepada siswazah Universiti Malaysia Kelantan, Kampus Kota, di Pengkalan Chepa, Kelantan. Penyelidikan ini akan memberi pengetahuan kepada pengkaji tentang faktor penentu penerimaan pelajar terhadap penggunaan platform perbankan dalam talian. Penyelidikan ini memilih Universiti Malaysia Kelantan, Kampus Kota yang mempunyai bilangan siswazah paling ramai. Lokasi yang terletak berhampiran dengan kawasan bandar menunjukkan ia terletak di kawasan pembangunan Internet. Ini juga akan membantu pengkaji untuk mengenal pasti dan mengumpul data dan maklumat untuk melengkapkan penyelidikan ini.

**Kunci Utama** : Penerimaan penggunaan perbankan atas talian, memudahkan, keselamatan, pengaruh sosial

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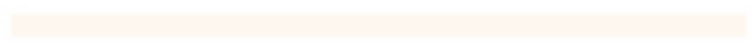
**CHAPTER 1**

**INTRODUCTION**

1.0    Introduction

This research has been started in Pengkalan Chepa. The research has targeted undergraduates from University Malaysia Kelantan, City Campus, Pengkalan Chepa. Online banking is one of the platforms that has been used widely. Many business transactions have transformed their operation from conventional transaction to online or digital transaction. Online transaction is been widely used in online banking transaction. This shown that people will be started to use online banking is their medium for daily transaction. However, does this determinant can influence the acceptance of online banking transaction platform among undergraduates of University Malaysia Kelantan.

1.1    Research Background

Based on the research by Abadi, Hehsan, Jasmi, Safar, Mohd Noor & Mohamad (2018), online business transaction is a transaction that are not using traditional platform or direct physical contact where seller and buyers using Internet to complete the business transaction between both parties. According to the study by Marco, Massimo, Alessandro, Jiang & Sergio (2020) an outbreak has occurred in Wuhan which has spread the novel coronavirus that has produced thousands of deaths globally. This event has change daily business activity to online-type activity. The online activity also included online business transaction through daily activity. These online business transactions can be paid using online payment or online banking platform.

According to the study by Saeed & Agha (2015), online banking provides many platforms and opportunities to their client and customers which all the opportunities are backed by the use of internet which can provide many business transactions to the client and customers online payment, money transfer, withdrawal, deposit, history transaction and many more which it helps to ease the customers daily activities. Online banking are available to both banking systems. According to the study by Mohamed Ariff (1988), Islamic banking did not charge the interest rate to its client or customers and will share

the profits with their depositors. According to the study by Bankewitz & Teuchert (2016) based on the research by Brown & Marsden (2013), digitalization era is referred to the concept which contain many elements including the available of large amount of data, algorithm driven analytic, processing capabilities, and crowd sensor approach. Many aspects will change in digitalization era where all the behaviours of customers can be measured and analyzed to predict the future event.

According to the study by Liew, Abdullah Zawawi, Mohamed & Alaloul (2018), industry revolution 4.0 is described as the mixture of skills and other element which are physical, digital and biological scopes. Industry revolution 4.0 will initiates challenges in the industry and the significance changes can be saw in many industries including construction industry. According to the study by Mohd Padil, Kasim, Ismail, Md Zain & Muda (2020), based on study by Venkataraman & Venkatesan (2018), financial literacy referred to knowledge and the capability to make effective decision of financial resources. Customers in the digitalization era today started to change to online payment method where many online banking platforms has started to offer these facilities to their customers and clients. Students and undergraduates are the group of people that has affected by the pandemic Covid-19 and at the same time has involves in the digitalization era that need them to use online banking platform to make online payment. This study examines the factor that acceptance the use of online banking platform among undergraduates of University Malaysia Kelantan. The data collected from this research is to be gathered from the undergraduates of University Malaysia Kelantan.

### 1.1.1 Online Business Transaction

Whole world has faced the pandemic Covid-19 since late 2019 until today. The virus has spread from a place called Wuhan. The virus that spread has changed people do their daily activities. Daily activities including business transaction, education communication and others has transformed into digital mode. According to an industrial talk in University Malaysia Kelantan (2021), Mr. Tope Toogun, CEO of Cognity Advisory has commented, Nigeria, digitalization can be considered as the destruction of old ways of activities especially traditional business transaction. The innovation of technology has influenced the changes in ways of business transaction. The spread of pandemic Covid-19 has played a big role in the changing to the digitalization era.

According to Abadi, Huda, Hehsan, Basirn & Ikhwani (2018), E-commerce provides a new platform to customers that shift traditional business to electronic

businesses by innovating the information and communication technology. Online business has provided a new way to run the industry in the whole world. The idea of entering a building to make a purchase has been substitute with other alternatives. The world also is developing many new technologies such as "Metaverse" which aim to bring the experience of physical shopping but in the online platform. Thus, this shown many innovations has changed the business structure over the world.

Digitalisation has made new entrepreneurs bring many new product and services. According to Bankewitz & Teuchert (2016), digitalization has made big changes in the strategic environment and has affected on the ways of the firm doing business. Customers and client have been served with many new products and services that did not use the utilization of internet. The new ways of buying products and services means that there are many new ways to make payment. A new of purchasing product and services has bring up new ways of payment. Nowdays, payment also can be made online. Almost all type of payment including purchasing goods, bills, housing loan and others can be made using online payment. Many platforms and institution are providing the platform and facilities to their customers with their own rate of charges. Example of institution that providing the online platforms are including, banks, TouchnGo, Shopee Pay and others. Online payment helps to ease customers and client and at the same time will innovate accordingly to the current innovation.

According to Rahim, Zainal Abidin & Khairuddin (2014), based on the study by Schiffman (2014), customer behaviours can be said as process included when an individual or group of customers made selection or purchase or use of products, dispose of products, services so satisfy their needs and demands. With the changes of pattern in the industry, the customer behaviours also have changed. New ways of purchasing and payment also shows that there are new data and variables that needed to be examined to measure the business pattern in the long-term. This study aims to determine the factors that acceptance the use of online banking among undergraduates of University Malaysia Kelantan as one of the payment methods.

### 1.1.2 Online Banking

Malaysia is a country that are using a dual-banking system which include conventional banking and Islamic banking. Conventional and Islamic banking using a different concept in their both services. The major differences between Islamic and Conventional banking are the adaptation of interest rate. According to Abdullah &

Anderson (2020), views in Islamic banking product is one of the factors that determine the financial literacy among bankers in Kuala Lumpur. This shown that dual-banking system has played a major role in Malaysia's finance aspects. Banking-system has been used as one of the modes of financing transaction to do many activities including business transaction. The digitalization era has made majority of bank's client to use internet as their platform of purchasing. Bank institution has used this opportunity to help customer to make online payment through the facilities that been provided by banks. This shown online banking has a lot of potential in digitalization era.

Online banking is one of the trends that has been used regularly nowadays. One of the effective ways to make online payment are through online banking. According to Agha & Saeed (2015), based on the research by Chowdury & Ahmamd (2011), many people thinks that online banking is secured, flexible and can be done at anywhere. Majority of the people are using online banking as their method to make online payment. Only a minority group of people did not use online banking for other reasons. Online banking available to both banking system including conventional and Islamic banking. The mode of online payment via online banking also can be made through interbank. These facilities will give a huge advantage to the customers. There a lot of benefits by using online banking. Online banking also has been fit with multi-type of security.

According to Agha & Saeed (2015), Pakistan's banking sector has adapted with the innovation of technology and has invested in producing the better information system. The use of online banking also must be taken care wisely. Even online banking has been provided with many types of security. There are always threats and risk of using any type of products. Research has found that Millions of Ringgits has loss due to money scam. Other than that, there are many fake calls that been called by scammers that identified as government authority officers. However, this does not mean the online banking is bad way of online payment. Every client and customers must always aware of the risk that they are facing and carefully share their private information. Online banking also provides many other facilities and opportunities than online payment such as loan and financial helps, online transfer, investment and others. These facilities surely can attract the interest of the undergraduates.

According to Abdullah & Anderson (2015) based on the study by Worthington (2006), financial literacy is at the highest at the age of 50 or 60 years old compared to college students. This study aims to investigate the factor that acceptance the use of online banking among undergraduates of University Malaysia Kelantan. Online banking has

been used majorly as online payment platform. However, online banking also provides other opportunities that can be grabbed by undergraduates such as a form on investment. Online banking also has shown some risk that undergraduate must measure before using the platform. The changes in the business industries have leaded to the changes in the mode of payment transaction. This study will provide a lot of benefit to many parties including undergraduates and also researchers to provide many new innovations in the future.

1.2 Problem Statement

Today's rapidly developing technology has changed the face of business everywhere, especially in the financial industry. The development of digital and electronic payment systems through financial technology has ushered in a new era of cashless society. For financial transactions, many customers, especially students, choose internet banking. Online banking is quickly taking over as a preferred method of payment for students since it has so many benefits and expedites the transaction process. Cash money is rapidly being replaced by a variety of online banking media as the globe moves towards a new digital era. Many formerly offline transactions have transitioned to internet ones, according to COVID 19. Due to its advantages as a more practical and safe cash substitute, many Malaysian businesses now allow internet banking transactions.

Some consumers, however, are sceptical about online banking transactions because they feel they constitute a security risk. The investment scam or phantom investments promise high returns with little or no risk. With the present state of COVID-19 and the financial difficulties that the general population, including university students, is facing, it is critical to provide them with financial literacy that will help them better manage their own finances by Al-Tamimi & Kalli (2009). The university student easily joins that investment because all of student in Malaysia has their own bank account. They can access their online banking wherever they log in their account. Kelantan Police detected the modus operandi of a group of foreign criminals who followed the victim from the bank for the purpose of robbery. Kelantan Police Chief, Datuk Mazlan Lazim explained, this group of robbers or robbers will follow the victim who has just come out of the bank and then rob by breaking the windshield. "These bandits and robbers focused on the banks and watched the victims withdraw a lot of money by Datuk Mazlan (2016).

In a research by McKinsey & Company (2020), Jonathan Brugge (2018) stated that convenience is a key reason of online banking transactions. People prefer online

banking transactions because of the convenience of making payments as well as the safety and security they provide.In a survey by Mary et al. (2018), it was found that 68 percent of students said they used transactions via online banking because they were more convenient, but 32 percent of other faculty and staff members disagreed. Additionally, study by Asian Nikkei (2017) found that the ease of internet banking purchases has certain drawbacks. These elements have an impact on a person's propensity to use credit cards when the conditions and spending possibilities in both groups are the same. People in their twenties, students, claimed that using e-wallets is convenient and in line with current worldwide trends, as according to Ramieza Wahid (2020).

Customers' internet banking frequency and transaction value climbed by almost 20% in 2020 alone, according to Bank Negara Malaysia figures. Since the adoption of the Conditional Movement Control Order (CMCO), product purchases have increasingly transferred online when the usage of physical money has been rapidly reducing. The most often used in Malaysia, at 56.2 percent of the time per person, is internet banking, which is used at 18 percent of the time per person on average. Many Malaysians use online banking to pay their utility bills. Because of the epidemic, many customers, particularly students, choose to employ online banking transactions rather than actual currency according to Pikri (2019).

It is believed that social influence favourably influences the uptake of internet banking transaction payments. Sena Abrahao, Moriguchi, and Andrade (2016) argue that our decision to use a new technology, such an e-wallet, will be influenced by others around us. According to Swiecka, Terefenko, P. Wisniewski, and Xiao (2021), age is a significant factor in banking usage and payment choice. The earliest community, where online banking payments were not natural from the beginning and where cash is still used daily. According to Wang et al. (2021), most of the east coast area does not choose to accept modern technologies due to inconvenience. The specific research on the adoption of new technologies such as online banking transactions as a result of social influence among University Malaysia Kelantan City Campus students during the pandemic epidemic is still unclear and needs to be explored further.

The University Malaysia Kelantan City Campus was chosen as a research site for the "Perception of University Malaysia Kelantan community towards cashless transactions." According to Zulkifli et al (2020), cashless transactions are used by 91.3 percent of that society. As a result, the goal of this study is to identify the elements or

effects that lead to the adoption of online banking transactions among students at the University Malaysia Kelantan City Campus. As a result, the study will look into the link between the convenience, speed, security, and societal effects of online banking financial transactions.

## 1.3 Research Objective

The general point of the objectives of the study attempted to:

i)To analyses the relationship between security and the acceptance of online banking transaction among student at UMK City Campus.

ii) To investigate the relationship between convenience and the acceptance of online banking transaction among student at UMK City Campus.

iii) To examine the relationship between social influence and the acceptance online banking transaction among student at UMK City Campus.

## 1.4 Research Question

To achieve the study aims, the following questions were developed:

i)        Is there a relationship between security and the acceptance of online banking transactions among student at UMK City Campus?
ii)        Is there a link between convenience and the acceptance of online banking transactions on the UMK City Campus?
iii)        Is there a link between social influence and the acceptance of online banking transactions on the UMK City Campus.

## 1.5 Scope of the study

The purpose of this research is to concentrate on students who are accepted in use online banking transaction. This research will be carried out on students at the University Malaysia Kelantan (UMK) City Campus. This is due to the researchers' easy access to the location and potentially responders as UMKPC student. The reason why this research chooses student as respondents is because student nowadays is often in use the online banking transaction method because all the process of buying and

purchase is online including grocery shopping activities, transportation activities and also ordering food is online now. The volume of internet banking transactions by individuals in Malaysia increased from 449 million transactions in 2016 to 1.16 billion transactions in 2020 (Muller, 2021). So, the researchers have intention to study the factors of the acceptance of online banking transaction among students of university of Malaysia Kelantan City Campus (UMK).

## 1.6 Significance of Study

Nowadays, the user of online banking is increasing according to the current circulation. As the nation struggles with the Covid-19 outbreak, online banking usage has dramatically surged. Online banking is used by many groups on certain factors and this study only focuses on Malaysian university students Kelantan City Campus (UMK) only. Therefore, this study was conducted to identify the acceptance of consumers in using online banking transactions and the relationship between security, convenience and social influence with the acceptance of using online banking transactions among students of the University of Malaysia Kelantan City Campus (UMK). According to this report, banks that offer online banking services ought to enhance their clients' financial security and ease so that they may continue to draw in new clients and keep existing ones loyal.

This study can also be used by banking organisations to strengthen current reforms or address any flaws, making online banking a popular innovation with students. Banking institutions need to ensure that financial security is protected with a strict security system. Banking institutions also need to provide convenience to their customers so that many are attracted to the services provided and cause social influence.

Additionally, the material from this study can also serve as a summary for upcoming researchers to utilise in their own research and as a source of information for future studies that will be more accurate. Thus, additional factors could be added to the study's scope in the future to further analyse.

1.7 Definition of Terms

1.7.1 Security

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Security is seen through the website's ability to protect the security of users' personal and financial information as a guarantee of security. An increase in interest in learning has been seen based on this area (Kimery and McCord 2002; Miyazaki and Krishnamurthy 2002). According to Rahul Dabke (2018) who claims that the best way to ensure financial security is to focus on a certain transaction's actual safety and security. This may be related to the usage of passwords and encryption during online transactions and the resultant shielding of private data from prying eyes.

### 1.7.2 Convenience

The most important factor in influencing customers' adoption of Internet banking services has been identified as convenience. (Sakthivel 2008; ACNielsen 2005; Pew 2003). Convenience is what drives consumers to create accounts directly with banks and digital financial institutions, also known as online or digital financial institutions without branches, over reduced costs and greater interest rates. (Peter Strozniak., 2019).

### 1.7.3 Social Influence

According to Andrew Stuart (2020) when the expectations and pressures of others shape our behaviours, this is referred to as social influence. Everyone has made personal decisions that have, in some way or another and been influenced by others at some point in their life. This is valid when the verdicts contradict our expectations or presumptions.

### 1.7.4 Online Banking

Users can make financial transactions using the Internet and online banking, sometimes referred to as Internet banking or web banking. Customers are provided with nearly all services normally available through local branches through these transactions, including online bill payments, transfers, and deposits. Most banks offer some type of online banking that is accessible on desktop computers and through mobile applications (Jake Frankenfield., 2022).

### 1.8 Organization of The Proposal

This study is focusing on the factors that acceptance the use of online banking among students of university of Malaysia Kelantan City Campus (UMK). In addition, the research question was seeking to identify the acceptance user in use of online banking transaction and the relationship between security, convenience and social influence with

acceptance of online banking transactions among students of university of Malaysia Kelantan City Campus (UMK).

Chapter 1 presents an overview of the research background, problem statement, research objective and research question. Next continued with the scope of the study, the significance of the study, the definition of term, and the organization of the proposal. This chapter provided an outline of the research methodology which was the quantitative data collection method that used in research.

Chapter 2 discusses the literature review on introduction, underpinning theory, previous studies, hypotheses statement, conceptual framework, and summary of the factors that acceptance of online banking among students of university of Malaysia Kelantan City Campus (UMK) such as security, convenience and social influence.

Chapter 3 analyzes the study methods. This chapter will begin with an introduction, study design, data collection methods, study population, sample size, sampling techniques, development of study instruments, measurement of variables, procedures for data analysis and end with a summary.

# CHAPTER 2

# LITERATURE REVIEW

## 2.1    Introduction

In the previous chapter, this research has briefly explained the research proposal of this study that consist of background of the study, problem statement, research questions, research objectives, the scope of the study, the significance of the study, the definition of the term, and the organization of the proposal. This chapter try to briefly explain the general idea, definition and the variables that been used in this research.

In this chapter, this research is trying to explain further and review other research and studies that can be used and related on the topic of "The Factor of the Acceptance of Online Banking Transaction among undergraduates of University Malaysia Kelantan.

This research also reviewing other research model and theory that can be used perfectly in this study. This chapter also will explain the independent variables that been used which are security, convenience, and social influence and their connection with the dependent variable which is acceptance of using online banking. This chapter will explain the literature review which consists of the underpinning theory, previous studies, hypotheses statement, conceptual framework, and summary of the factors of the acceptance of online banking transaction among undergraduates of University Malaysia Kelantan.

2.2 Underpinning Theory

Underpinning theory is one of important process that need to be done on every research. Underpinning theory helps to evaluate the study by using the most relevant theories. It helps to identify the key concept of the study and show how it will fit with the study. This study will be using Theory of Technology Acceptance Model.

Theory of Technology Acceptance Model

According to research by Lee, (2003), technology acceptance model was introduced by Fred Davis in 1986. The Technology Acceptance Model (TAM) was developed by Fred Davis in 1986 as part of his dissertation titled "A Technology Acceptance Model for Empirically Testing New End-User Information Systems: Theory and Results" at the Massachusetts Institute of Technology's Sloan School of Management. TAM is the extension of the Theory of Reasoned Action that was developed by Ajzen and Fishbein in 1980. The evaluation of the technology's usefulness is the primary key to its acceptance by its users. As a result, the TAM model can explain how user perceptions influence their attitudes toward the utility of information technology. This model more clearly demonstrates how perceptions of benefits and ease of use influence acceptance and use of information technology. Davis also provides a basic framework for investigating the impact of external factors on these two variables.

This model can be classified as information system theory where it explains on how the acceptance by the absence of technology. This model sees the behavioural intention is the factor that determine the user acceptance of the technology. On every research, there are many variables that been discussed in it. This model will divide the variables into two classifications which are perceived usefulness and perceived ease of use. According to research by Priyanka, (2012), perceived of usefulness and perceived

ease of use are influenced by the external variables which are usually consist of many factors such as social factors, political factors, and cultural factors. There are also many extensions of Technology Acceptance Model such as TAM 2, UTAUT and others. However, there are also some criticisms that been face by this model on certain aspects.
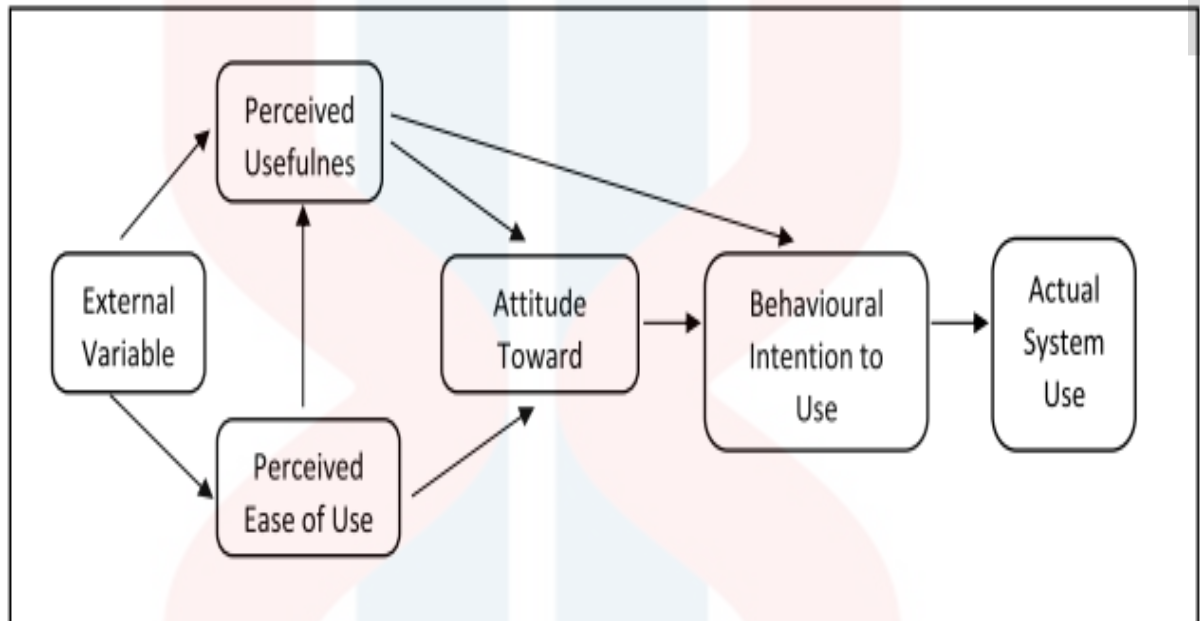


Source: Davis, Bagozzi, and Warshaw (1989: 985)

Figure 2.1: Technology Acceptance Model

In this study, a technology acceptance model for the use of internet banking transactions was built using a number of independent factors (Security, Convenience, and Social Influence). For the purposes of this study, such external factors will be investigated to see how they affect the variables influencing the acceptability of internet banking transactions among UMK Campus City students. Since the particular qualities of the technology could have a substantial impact, generic models are unable to describe the application of various types of technology, according to Althunibat et al (2012). Numerous additional variables have been included to this model because of the particular qualities and originality of cashless transactions.

2.2.1 Perceived Usefulness

Perceived usefulness is one of the main factors in the Technology Acceptance Model (TAM). According to the research by Davis, (1989), perceived usefulness definition was the level of believe when someone can increase their work rate when using some system. This shown that someone use a particular technology on the basis that it can increase their work performance. Technology generally created to make some

innovation to daily life. Thus, the technology that been created and used by user should make some improvement to their work performance in order it to be accept by the users. Perceived usefulness may influence the attitude of users on the technology and the behavioural intention to use the technology. This will lead to the acceptance of the users on the presence of the technology.

### 2.2.2 Security

Data securities were also identified as important issues in the acceptance of internet banking in Australia and the United Kingdom by Sathye (1999); White & Nteli, (2004). According to Wang et al. (2003), perceived credibility, i.e., security and privacy, has a considerable beneficial influence on behavioural acceptance of online banking. According to the study, perceived trustworthiness has a stronger potential to predict and explain consumers' intentions to embrace or utilise internet banking.

Online banking should be characterised as dependable, honest, consistent, and fair by Falkenreck & Wagner (2017); Morgan & Hunt (1994). Customers are often concerned about security when utilising internet services according to Sreejesh et al, (2016). Individuals differ in their level of security concern. Security and protection foster trust, which has a huge influence on personal and corporate activity according to Kaabachi et al., (2017). Internet banking institutions should be secure and private, reducing the danger of customer information breaches contributing to fraud according to Rawashdeh, (2015).

Furthermore, Pikkkarainen et al. (2004) found that security had an influence on internet banking acceptance while using TAM to analyse consumer adoption in Finland. Similarly, Qureshi et al. (2008) discovered that data security has a beneficial influence on client adoption of internet banking in Pakistan. Online banking provides a high security to their users which will help them to improve their daily online transaction. This will lead to the acceptance of the users on the presence of the technology. As a result, the necessity for safe transactions is critical to the success of any e-commerce business, not just online banking according to Liu and Arnett, (1999).

### 2.2.3 Perceived Ease of Use

Perceived ease of use is one of the main factors in the Technology Acceptance Model (TAM). However, it brings a different meaning compared to the perceived of ease of use. According to the research by David, (1989), perceived of ease of use is defined as it will become no or less effort to the user by using the particular system. Perceived ease

of use shown that the user wanted to believe that it will reduce them the effort of the work by using the technology created. These factors shown that the users may accept the technology created if they could reduce the effort needed for some work. Perceived usefulness may influence the attitude of users on the technology. This will lead to the acceptance of the users on the presence of the technology.

### 2.2.4 Convenience

The main advantage of online banking is convenience. Users are free to be anywhere to perform basic banking transactions such as transferring funds between accounts and paying bills easily within 24 hours a day or seven days a week (Frankenfield, 2022). According to Trifilio (2019), banking Institutions today need to win over convenience to continue to survive and grow. Bank services the traditional way is not so best for customers when considered with the facilities that have been redefined in the digital age. Convenience in terms of simple design with the ability to open and manage online accounts using mobile devices is drastically turning into a customer choice. Digitally engaged consumers around the world now can make banking be 'local' (Jim Marous, 2015).

Leavell (2019) investigates the relationship between perceived convenience and the technology acceptance model (TAM). This study finds that the role of perceived convenience (PC) is not so influential although it is important, but the role of perceived convenience (PC) is relevant to the TAM model when involving technology at specific geographical locations. Next, this study found that perceived convenience (PC) contributions were higher for customers who used ITM. This suggests that ease to technology is important in customers 'reflection on the experience. In addition, perceived convenience (PC) is not important in explaining intentions to customers who do not use technology because the convenience is not a consideration until an individual actually uses the technology. Overall, from this study, convenience (place) has a role in studies involving technology acceptance model (TAM). Convenience in the model may have different roles based on the user's familiarity with the geographical location of the technology.

### 2.2.5 Social Influence

According to Youngnhwa Lee (2006) the study finds out that the social influence has been recognized on technology acceptance. Hence, while Subjective Norm (SN) has

been frequently applied to represent the fundamental of social influence, some studies doubt whether it reflects the whole scope of social influence. Recently, social psychologists have looked at Self-Identity as a concept that reflects social impact on behaviour. As the result, SelfIdentity has been shown that it has a significant influence with the voluntary behaviour and it will have long-term effects in situations compared to the Subjective Norm had little effect. This research investigated the influence of the self-identity on the technology acceptance decision in the context of a web-based class support system using the Technology Acceptance Model called as TAM. As the result, the findings from the study show that Self-Identity has a significant direct and indirect effect on technology acceptance. Other than that, the findings from this study also confirm that there is a significant direct effect on the acceptance in voluntary and experienced situation with Self-Identity, whereas this study also find out that there is no effect to Subjective Norm either both situation. The most important implications for theory and practise are discussed.

### 2.2.6 Summary of TAM

To summarize this discussion about TAM theory, the reason why we choose Technology Acceptance Model as our main theory in this study is because of we are focusing on acceptance of user in the use of online banking system. TAM determines system usage based on perceived usefulness and perceived ease of use, which are related to the attitude toward use, which is related to the intention, and lastly to behaviour. To understand it, if the user thinks that using of online banking system and useful, it should have a positive effect on them intention of actual use of online banking system. So, we use TAM theory to expect that TAM theory can explain the acceptance of the user in the use of online banking transaction systems.

Hence, in TAM we can determine which factors are impacting the user of the acceptance of IT used in the use of the online banking and finance industry. In TAM, it has five external factors which are acceptance type, educational satisfaction, usage knowledge, usage enjoyment, and usage experience and four internal factors which are ease, usefulness, attitude, behavioural intention. In the TAM theory, the external factor will have varying degrees of effect on user perception. We should identify from each factor that people are able to accept IT easily prior to its launch and that the challenges that must be considered when bringing new IT to society.

Our independent variable is related to the TAM theory which is the first independent variable is security. Security is related to the user trust to use online banking. So, in TAM, it will explain all the problem that has been facing in online banking system and it also will provide the solution that has been taking to solve the problem to convince user in the use of online banking system. Our second independent variable is convenience. Convenience is related to internal factor of TAM is because it will have different influence on the user perception in the use of online banking system because it will base on their own experience in the use of online banking system. In TAM, it will explain how usefulness of online banking system, and how easy it is to use. Lastly, our independent variable is social influence. Social influence is related to external factors of TAM. It is because in external factor of TAM it will study usage enjoyment, usage experience, and usage knowledge. To be easy to understand, the higher of the user experience, user feedback in the use of online banking system, the higher the chances of influencing the user in the use of online banking system.

As the conclusion, we choose TAM as our main theory in this study will help us to get the applicable result.


## 2.3 Previous Studies

### 2.3.1 Acceptance of Online Banking Transaction

According to the research by Mughal, Farhan, Ali & Jabbar Khan (2012), based on the research by Dixit & Datta (2010), internet banking means that the customers can access to their bank account and perform financial transaction using the advantages of internet. Internet helps to ease the use of data and information. Bank account can be access easily at any time with the innovation brought by the internet. According to the study by Ahmad EM & Phin GS (2016), internet banking has become a new trend because its innovative and effective way to perform financial transaction. The use of internet helps customer to perform transaction at anywhere rather than walk-over into banking branches. However, the amount of customer accepting the use of online banking depending on various factor. According to the study by Anouze & Alamro (2019), bank need to understand customer decision to provide better strategies that will influence the acceptance of online banking among customers. According to the study by Wang & Pho (2009), online banking provides real time data and information that helps their customers and client to manage their fund decision. Online banking platform has used the advantages of internet that help customers to manage their fund at any time.

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According to the study by Amola & Shahir (2016), internet banking provides a platform that combine many facilities together such as payments, banking, two-way data transmission for on-the-move and others. With many facilities combined, it helped customers to make various type of business transactions using one platform. There are several types of customers that have different acceptances and purposes. For example, majority customers like to make online payment transaction and online transfer transaction to own account or third-party account. According to the study by Fadore, Ibrahim, & Edogbanya (2015), based on the study by Aderonke (2014), majority of customers use the online banking because of the services saves a lot of time and suits with the customers desires. This shown that customers and client always wanted the best services that an institution can provided and at the same time, it matched with the needs and desires of the customers. According to the study by Abdullah, Falah, Aqilah & Sabar (2017), if a student did not have a financial knowledge, this will affect their decision making. This will give an effect on the acceptance of online banking platform among students.

Online banking is one of the innovations that been made to help customers ease their daily task include daily transaction. According to the research by Zahir & Hameed (2019), the acceptance of online banking helps customers and clients to make their daily transaction using their tip of the hand while resting at home. Thus, this will save a lot of time rather than queuing on the long que on every bank's branches. This will become one of the indicators that helps people to change their daily transaction from traditional transaction way to the online banking transaction. Other than that, there are some improvements that been due to the innovation of the online banking platform. According to Al-Smadi (2012), online banking platform has been provided to increase the effectiveness of the service that been provided to the customers. This will help to reduce the amount of cost of services and at the same time reduce the time needed to make a transaction. The innovation of internet should ease the work of the customers because internet promote contactless action. This innovation of internet also needs to reduce the time needed to make any action to make sure the product can compete with other competitors to determine the acceptance of mobile banking platform.

Online banking has brought many new facilities that has made customers interested in accepting online banking as their medium for business transaction. However, there are certain cause that influence customers' acceptance. According to the research by Al-Smadi (2012), customers still have some fear on the risk of using online banking

even though online banking bring many positive impacts to the users. At this time, customers did not been exposed to the innovation of internet or online business. Some society may did not know about online banking because of geographical factors. According to the study by Ikram & Hameed (2019), clients or customers from the rural area are facing more curiosity on the perception, risk, information, and online transaction during using online banking platforms. Thus, this will affect the number of customers acceptance of mobile banking. According to the study by Qureshi (2008), the number of customers that using online banking increase daily because it helps to save the precious time of the customers and help to speed up the operation of the services which will give the benefit to both parties. Technology created is expected to provide time efficiency to the customers. According to the research by Azouzi (2009), there are different perception on online banking platform by the customers even it is an increasing product that been starting to be used. These shown that there are different determinants of the acceptance of online banking platform due to the different perception on the platform.

There are various types of customers which have different type of acceptance in using online banking platform. The various types of acceptance in using online banking platform will have some similarity among it. According to the study by Amola Bhatt & Shahir Bhatt (2016), based on the research by Chung & Kwon (2009), online mobile banking platform provides transaction that have the elements of efficiency and safety is the desired goals when using the platform. It shows that customers always wanted a services and product that will help them to fulfill their need and desires. According to Abdullah, Aqilah, Salehudin & Falah (2020), more students will have a lot more financial knowledge if it has been developed from high school level. This study is focusing on the acceptance of online banking transaction platforms among undergraduates of University Malaysia Kelantan. Undergraduates are using online banking platforms in order to help them in their business transaction, daily transaction, investment and many others. Daily transactions of undergraduates have diversified which it has expand to a wide range of transactions. According to study by Arian (2016), the satisfaction of user increased when the interaction of online banking system with customers did not have error. This will help to increase the quality of the online banking services.

2.3.2 Security

Lin and others (2020) define stability of the network connection, transaction barriers, transaction failures, and personal data leakage as security risks in the online

banking system. Sathiyavan and Shivany (2018) state that security also refers to the website security of client transactions, which includes encrypting shared data, payments, credits, and other items and contributes significantly to the development of online trust with internet banking services. Security concerns, which are becoming increasingly significant, are hindering the popularity of internet banking. Information regarding the locations, activities, and demographics of internet banking customers is of utmost importance to online businesses. Aside from generic worries regarding the transmission of personal information, persons may have issues about being increasingly recognized as the amount of personal information necessary grows, according to Kumar, M., & Gupta, (2020).

Security is defined as "circumstances, conditions, or incidents that may cause significant damage to information or system resources in the form of data deletion, disclosure, alteration, lack of quality, and/or fraudulent, losses, and misuse" according to Lallmahamood (2007) Threats in the context of internet banking can be produced via the network and assaults on transaction or network information, or by illegal access to the account via fake authentication according to Yousafzai et al., (2003). Customers' opinions of the level of protection against these dangers are thus represented by security.

According to Nasir et al.,(2015) security is the top customer worry while using internet banking services . Chiu et al.(2017) define security in the context of online banking as the safeguarding and identification of customer information against unauthorized access or data theft.  According to Singh & Srivastava (2018), security is also linked to the risk of consumer personal data leakage during financial transactions, such as fraud and hacking. This is especially true when doing so over electronic channels. According to Marakarkandy et al.,(2017)  previous research analyzing the significance of security and privacy connected specifically to online banking services reveal a favorable effect on behavior adoption (2017). The problem of Internet banking security is frequently stated as a factor for bank clients' hesitancy, as the Internet provides new potential for fraud because of its speed, dematerialization, and novelty. According to Yousafzai et al. (2005), internet banking security issues emerge from the usage of a public network, where bank clients are concerned that their bank information would be accessible to others over the Internet and utilized for fraudulent reasons. The necessity for security in electronic banking has been acknowledged, and several technological solutions have been proposed to safeguard electronic transactions done over the Internet.

Security refers to consumers' understanding that the online banking framework is secure for transactions according to Pekovi, Zdravkovi, & Pavlovi, (2019). According to Vatanasombut, Igbaria, Stylianou & Rodgers (2008), Security is defined in the following context: in terms of users' awareness of the network for data dissemination as well as clients' trust in the bank's internet usage. Security may be improved by using the user's perspective of dependable and assured operations while interacting with the location according to Vatanasombut et al., (2008). According to a relevant study on technical innovation in Mauritius, safety plays a critical part in the clarification of innovative acceptability according to Juwaheer, Pudaruth, & Ramdin, (2012).

According to Salisbury et al. (2001), security is the point at which one feels the web is protected for transmitting top secret information. Simply put, security relates to user's impressions of the online banking system that secures their cash activities and protects the safety of their private data, which influences their willingness to use internet banking. Bank Negara needs to act on information leakage otherwise the public's trust in banking institutions will drop. Many banking studies have found that security and privacy are important factors in online banking acceptance by Sathye (1999), Polatoglu & Ekin (2001), Black et al., (2002), Pikkarainen et al., (2004), Howcroft et al., (2002). Users' faith in their bank was high, but their trust in technology was low, according to Roboff and Charles (1998).

According to Hammouri et al., (2021) and Safari & Soleimani (2020), Security is regarded as the primary operational risk of internet banking; yet, certain concerns straddle risk categories, such as breach of security allowing unauthorized access to client information. Such security concerns might put the bank to regulatory and reputation consequences. Furthermore, security perception may be divided into six categories: time risk, safety risk, confidentiality risk, performance risk, psychological risk, and money risk. In general, risk perception may be higher for computerized banking systems, according to Abhilash et al., (2021).

When open networks, such as the Internet, are used as a gateway to the internet banking system, online security problems become crucial according to Santander et al., (2020). The degree to which a user feels the World Wide Web is secure for transferring sensitive data is referred to as perceived web security according to Ardiansah et al., (2020). On the other hand, the increase of e-services and online use is suffering from inequitable security measures and new developing dangers related to wireless connectivity according to Gavrilă et al., (2020). However, this will slow the rate of user acceptance of internet

banking technologies according to Hossain et al., (2020). To mitigate the negative impact of such a danger, internet banking decision makers should implement the essential policy and procedures for return, privacy, and fraud protection regulations to locate more protected internet banking websites and apps according to Liyanaarachchi et al, (2020).

Additionally, numerous earlier research, including those by Junadi and Sfenrianto (2015), Kabir et al. (2017), Taheam, Sharma, and Goswami (2016), and Sardar (2016), found that security has a positive substantial influence on a user's approval of using online banking transactions. Batra and Kalra (2016) were interested in the respondents' patterns of online banking use. According to this survey, the top benefits of using online banking were time savings, convenience, access to discounts, expense tracking, and peace of mind. They noted that the security of financial transactions was the respondents' top concern. In other words, more individuals will utilize internet banking if the security is improved.

However, on the other hand, they investigated the factors that impact customer adoption of internet banking, according to Rathore (2016). Security is one of the elements evaluated in this study. According to the survey, security isn't really a major factor driving consumer acceptance of internet banking, as it is the most challenging for users. If security concerns are successfully addressed, the risk diminishes, and internet banking acceptance increases. The same findings were obtained by Manikandan & Jayakodi (2017). The study's objectives were to investigate customer views of internet banking, variables influencing consumer usage of internet banking, and customer barriers to adopting internet banking. The distinction between the two research is that Manikandan and Jayakodi (2017) obtained data exclusively from Chennai residents, whereas Rathore (2016) got actual data from smartphone owners who utilize internet banking to make online transactions. The link between the security of the online banking system and user acceptability in the usage of online banking transactions among UMK City Campus students is the main subject of this study. In this study, we'll learn if security has a good or negative impact on students at the UMK City Campus' acceptability of using internet banking.

### 2.3.3 Convenience

Convenience is an important factor chosen by consumers in using banking services (Shankar & Rishi, 2020). According to Shankar (2021) in his study entitled How does convenience drive consumers' webrooming intention? The study aimed to evaluate

the impact of convenience on the web room of intentional banking users. The study found that users 'web room intentions had a significant impact on ease of access, ease of search, ease of benefits and convenience after benefits. Convenience in the web room mediates the dimensional effect on the hedonic value and the perceived utilitarian value. Consumer-perceived security concerns affecting the mediation effect vary between high and low levels.

Next, according to Wu & Jonathan (2022) investigate about the influences of technological characteristics and user beliefs on customers' perceptions of live chat usage in mobile banking. The purpose of the study was to identify the factors that potentially influence bank customers 'intentions and attitudes towards using mobile chat from a functional perspective and expected advantages. In the findings of this study stated that performance expectations are influenced by convenience and accessibility while all technological features are influenced by effort expectations. In addition, attitude can determine the intentions of the customer. Expectations of effort and circumstances facilitate while the three constructs of consumer trust are determined by their attitudes.

Ramon et al (2015) make a study of how customers' offline experience affects the adoption of online banking. The study noted that customer behavior related to the frequency of interactions with banks, the quantity of products involved in the interaction, as well as the ease and risk of interactions posed significant differences. The results of the study found that the tendency of customers to adopt faster online banking showed a more periodic pattern of offline behavior related to higher periodicity of interaction and convenience. This is not due to the high number of products involved in their interactions and the use of high -risk products or the higher average monthly liability maintenance.

According to Levy (2014) investigate about the importance of the level of use of online services on customer bank loyalty. The purpose of this study was to assess the relationship between the relative level of customer consumption of online banking services and bank loyalty. In addition, this study also examines the impact of customer satisfaction on the quality of online banking services and service convenience in this regard. This study found that a direct and negative relationship between the relative level of use of online banking services and banking loyalty. Nevertheless, there is a positive relationship between bank loyalty and customer satisfaction on the quality of online services. In addition, convenience of service through satisfaction with the quality of online banking services is a positive relationship.

Besides that, according to Jain et al (2019) make a study of the evaluating service quality in automobile maintenance and repair industry. This study aims to investigate the quality of services in industrial car maintenance and repair. The focus of this study was to look at service fairness and convenience on customer service satisfaction. In addition, this study also focuses on the effects of service satisfaction and brand trust on word of mouth (WOM). The mediating effect of customer service satisfaction on the relationship between service quality and WOM was also evaluated in this study. The results of this study found that service quality, fairness and perceived service convenience have a positive relationship with customer service satisfaction. WOM is positively influenced by service satisfaction and trust.

According to Kaura et al (2014) study about the role of intermediaries from customer satisfaction to Quality of service, ease of service, price and fairness, customer loyalty. This study aims to investigate the Indian retail banking sector on service quality, fairness and perceived price as well as service convenience influencing customer loyalty and customer satisfaction. In addition, this study also examines the mediating variables that are customer satisfaction between the dimensions of service quality, price perception and fairness, service convenience dimension and customer loyalty. The results of the study found that there is a positive effect between the dimensions of service quality, fairness and perceived price and the service dimension of convenience with customer loyalty and customer satisfaction. This is because the mediating variable between its antecedent and customer loyalty is customer satisfaction.

There are many past studies related to convenience especially in studies related to consumer acceptance in the use of online banking. Therefore, convenience is one of the independent variables in our study.

### 2.3.4 Social Influence

A few previous studies have found the social influence variable are influence on the intention of the use an online banking system, indicating that social influence is a factor in the desire to use an online banking transaction. The majority of the studies concluded that there is a direct relationship and influence. According to Hamidon Katan (2017), the finding from the study indicate that the mobile banking adoption and customer satisfaction is influence by three factor such as the social influence, the Ubiquitous Finance Control (UFC) and the perceive trust. Other that that, this research

also state that the social influence is the most important construct which is it has been used in well-known technology adoption models. As the example of the technology is the Theory of reasoned Action (TRA), the Theory of Planned Behaviour (TPB), the Technology acceptance model (TAM2), the Unified Theory of Acceptance and the Use of Technology (UTAUT) and the UTAUT2. Many researchers have confirmed the positive effects of social influence on M-Banking adoption.

In addition, another research by Wan Rung Lin (2020) state that social influence has significant positive influence on behavioural intention to use mobile payment. The variables consist of performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value and habit in Taiwan. The research concluded that all of the variables does have a significant influence toward the adoption in cashless transaction. From the research we can relate because of the cashless transaction have a relationship with online banking system. All the finding from the research can be use in our research.

Moreover, according to Mohamad Azwan Md Isa (2018) in research about factors affecting consumers' acceptance towards electronic payment system: case of government land and district office also state that social influence has positive relationship with acceptance to use mobile payment. There are a few more variable such as consumers' acceptance, performance expectancy, effort expectancy, and facilitating condition. All of them have a significant influence.

There is another previous study that has been discussed about social influence such as Matsuo (2018). According to Matsuo (2018), the study finding that the social influence has both effect either direct and indirect on innovation resistance, that all these effects are partially mediated by the usage and the performance risk barriers, and also that experience moderates these relationships. This study discovered that social influence directly reduces the innovation resistance of inexperienced consumers while directly increasing the innovation resistance of experienced consumers. However, their discovery that social influence increases experienced consumers' resistance to innovation is unexpected. This is because experienced consumers may resent individuals who try to persuade them to continue using new services.

Furthermore, according to Mbrokoh (2016), the social influence variable has significantly contributed to explaining the variance in behavioural intention. As a result, the significant effect of social influence on behavioural intention indicates that the respondents used in the study were very concerned about environmental factors

such as their friends' opinions. As a result, this study complements other studies in the UTAUT model and in TPB.

Briefly describe that in this study we will go more detail to determine either there has significant relationship between social influence and acceptance user in the use of online banking transaction among UMK City Campus student.


2.4 Hypothesis Statement


Four hypotheses of this research had been developed to study the relationship between the dependent variable, acceptance in the use of online banking transaction among UMK City Campus student and the other three independent variables which are security, convenience and social influence.

Hypothesis 1: Security and Acceptance of Online Banking Transaction

H0: There is no significant relationship between security and acceptance of online banking transaction among UMK City Campus undergraduates.
H1: There is a significant relationship between security and acceptance of online banking transaction among UMK City Campus undergraduates.

Hypothesis 2: Convenience and Acceptance of Online Banking Transaction

H0: There is no significant relationship between convenience and acceptance in the use of online banking transaction among UMK City Campus undergraduates.
H1: There is a significant relationship between convenience and acceptance in the use of online banking transaction among UMK City Campus undergraduates.

Hypothesis 3: Social Influence and Acceptance of Online Banking Transaction

H0: There is no significant relationship between social influence and acceptance in the use of online banking transaction among UMK City Campus undergraduates.
H1: There is a significant relationship between social influence and acceptance of online banking transaction among UMK City Campus undergraduates.

## 2.5 Theoretical Framework



Independent Variables

Security

Convenience

Social Influence

Dependent Variables

Acceptance of Online Banking Transaction
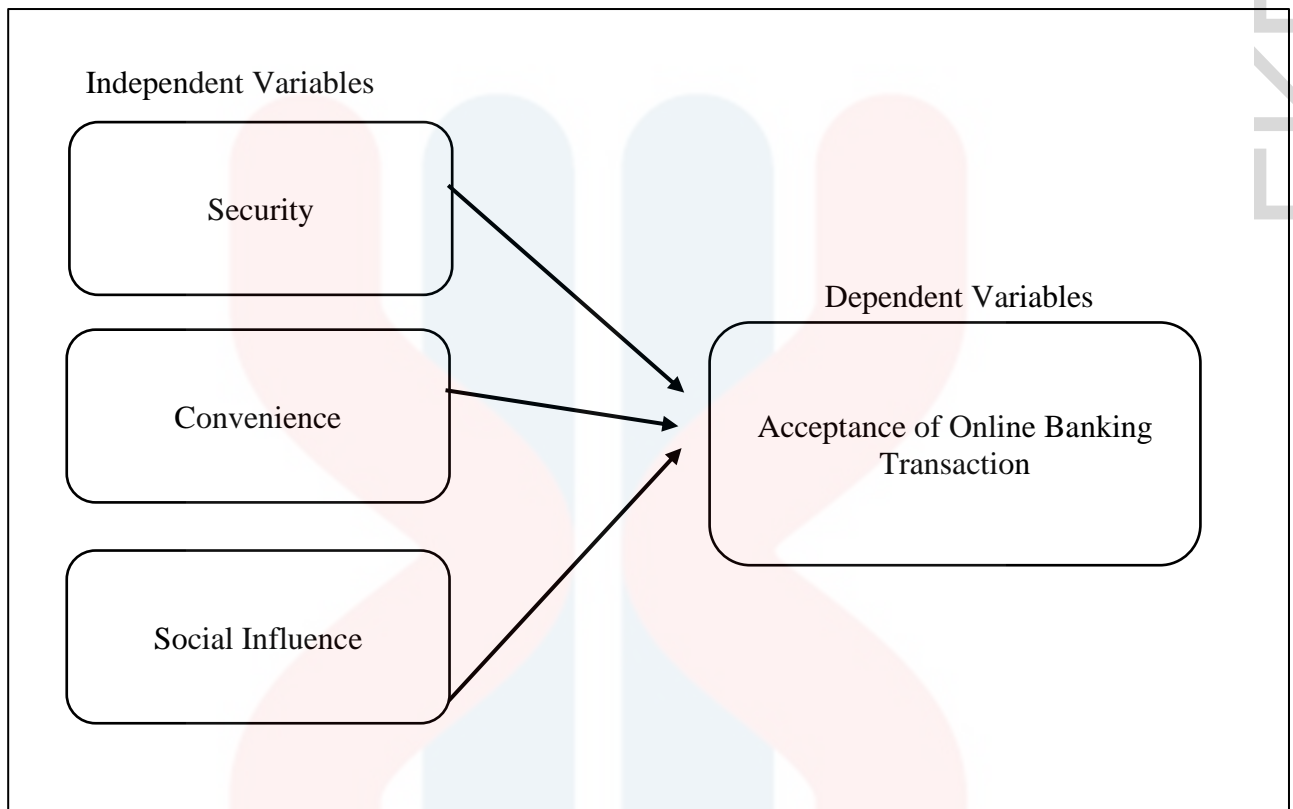
Figure 2.2: Theoretical Framework

## 2.6 Summary

Banking system provide a new product to their customers. The innovation of internet will bring new facilities and possibilities in the presence of internet. Online banking helps customers to reduce their cost of operation and precious time. Online banking provide to their customer many activities in it includes online transfer payment, bill payment, and other options. The presence of technology can be one of the determinants of the acceptance of technology. By using the Technology Acceptance Model of theory, technology will become key of the acceptance of online banking platform.

Online banking platform provide many new technologies with the facilities. Security also can be included as one of the new technologies. Technologies can be explained in many contexts. Some people are focussing on the risk that they faced. If the risk that they face are high, it will become a big indicator that customers will not accept the online banking platform. Customers wanted a security that can guaranteed the safety of their account. Other than that, social influence can become a huge opportunity for

online banking. Social media is an application that been used to majority of people today. Thus, by focussing on social media influence, we can influence new customers to using the online banking platform. Social media can become one of the determinants on the acceptance of customers on online banking platform.

Furthermore, another layer of convenience is the ease of access phrase, which states that the value of the web is in its universal accessibility. The phrase accessibility refers to users' capacity to access services and information from a website, which is primarily determined by the quality content; the user's devices, software, and configurations; internet connections; characteristics of the environment; and the user's skills and impairments

To summarise, this section evaluated the literature review relevant to the previously investigated components. The suggested theoretical framework was constructed based on a survey of the literature. The researchers examined to analyse the relationship between all the dependent variable acceptance of internet banking and the three independent variables in this research which were security, convenience, and social influence. The researchers came to a consensus on these three independent variables that influence the acceptance of internet banking. Methods for determining the outcome of this investigation are detailed in the next chapter.

# CHAPTER 3

# METHODOLOGY

## 3.1  Introduction

A research methodology is a method for solving a research problem in a systematic manner. It can be thought of as a science that studies how scientific research is conducted. This is how Abraham Kaplan defines research methodology. Research methodology is defined as "the description, explanation, and justification of various research methods."

After reviewing previous studies on the topics discussed in Chapter 2, this chapter explained the research methodology that will be used in the study. The research methodology is designed to address the research objective identified in Chapter 1 as well as to overcome the study's objective. This chapter will explain the research design, the process of developing questionnaires, conducting a survey, collecting data, and performing a Statistical Package for the Social Sciences (SPSS) Version 26 or data analysis.

## 3.2 Research Design

This study was carried out to learn about the factor of the acceptance of the online banking systems among students at the University of Malaysia Kelantan Campus Kota (UMK). The researcher chooses to use the quantitative method in this study because the empirical evaluation is made up of numerical measurements and analyses. Online questionnaires were used to collect primary data. The data gathered will help the researchers in identifying the relationship between convenience, security, and social influence with the factor of the acceptance of the online banking transaction among UMK Campus City students from this research result, which is it will involve the process of developing and organizing research designs.

## 3.3 Data Collection Method

The definition of the data collection method is the process of organizing information for the targeted variables. Data is classified into two types which is the primary data and the secondary data. For this research, for the primary data it will be collected via online survey, also known as online questionnaire. For the all the questionnaires that has been prepared by the researcher will be handed to random student at University Malaysia Kelantan Campus Kota.

## 3.4 Study Population

The student of University Malaysia Kelantan Campus City going to be as thepopulation of this study. UMK city has three faculty and this study will to all faculty. The first faculty is the Faculty of Entrepreneurship & Business (FKP). Second is, the Faculty of Hospitality, Tourism, and Wellness (FHPK), and the last one is, the Faculty of Veterinary Medicine (FPV). As a result, the study's total population is 5,410 students at the University Malaysia Kelantan City Campus. The target population is also defined as a specific group of people who are of interest to researchers

## 3.5 Sample Size

The definition of the Sample size is the number of observations drawn from the population for research purposes. According to the e capsule UMK, we find out that the total number of students enrolled at the UMK City Campus for 2022 is 5,410, it is a range from Year 1 to Year 4. This study will be conducted at random among 357 students from all the faculty FKP, FHPK, and FPV at the University Malaysia Kelantan City Campus. They were chosen from a variety of courses, years, genders, ages, races, and religions.

To accomplish this, achieve a valid sample size, the researchers in this study used the table created by Krejcie and Morgan (1970). According to the Krejcie & Morgan table, a minimum sample size of 357 respondents is required for a population of 5,410 students.

| N | S | N | S | N | S |
|---|---|---|---|---|---|
| 10 | 10 | 220 | 140 | 1200 | 291 |
| 15 | 14 | 230 | 144 | 1300 | 297 |
| 20 | 19 | 240 | 148 | 1400 | 302 |
| 25 | 24 | 250 | 152 | 1500 | 306 |
| 30 | 28 | 260 | 155 | 1600 | 310 |
| 35 | 32 | 270 | 159 | 1700 | 313 |
| 40 | 36 | 280 | 162 | 1800 | 317 |
| 45 | 40 | 290 | 165 | 1900 | 320 |
| 50 | 44 | 300 | 169 | 2000 | 322 |
| 55 | 48 | 320 | 175 | 2200 | 327 |
| 60 | 52 | 340 | 181 | 2400 | 331 |
| 65 | 56 | 360 | 186 | 2600 | 335 |
| 70 | 59 | 380 | 191 | 2800 | 338 |
| 75 | 63 | 400 | 196 | 3000 | 341 |
| 80 | 66 | 420 | 201 | 3500 | 346 |
| 85 | 70 | 440 | 205 | 4000 | 351 |
| 90 | 73 | 460 | 210 | 4500 | 354 |
| 95 | 76 | 480 | 214 | 5000 | 357 |
| 100 | 80 | 500 | 217 | 6000 | 361 |
| 110 | 86 | 550 | 226 | 7000 | 364 |
| 120 | 92 | 600 | 234 | 8000 | 367 |
| 130 | 97 | 650 | 242 | 9000 | 368 |
| 140 | 103 | 700 | 248 | 10000 | 370 |
| 150 | 108 | 750 | 254 | 15000 | 375 |
| 160 | 113 | 800 | 260 | 20000 | 377 |
| 170 | 118 | 850 | 265 | 30000 | 379 |
| 180 | 123 | 900 | 269 | 40000 | 380 |
| 190 | 127 | 950 | 274 | 50000 | 381 |
| 200 | 132 | 1000 | 278 | 75000 | 382 |
| 210 | 136 | 1100 | 285 | 1000000 | 384 |

Note: N is population size; S is sample size.

Source: Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement, 30*, 607-610.

Source: Krejeie, R. V., & Morgan, D. W. (1970)

Table 3.1: Determine Sample Size of a Known Population

## 3.6 Sampling Techniques

There are two types of sampling techniques, probability sampling and non-probability sampling. Non-probability sampling methods used in this study included convenience sampling, quota sampling, snowball sampling, and judgmental sampling. Convenience sampling will be used in this study because it is the most appropriate technique for the time and budget constraints, as well as the large sample size. The researchers will look for all UMK City Campus undergraduates who use the online banking system and distribute online questionnaires to them. The use of convenience sampling makes it easier for researchers to find the target respondents.

In general, respondents chose because they happened to be in the right place at the right time.

## 3.7 Research Instrument Development

In this study, the researchers used primary data from the results of consumer online questionnaires through Google Form as data was in the form of an ordinal scale. It is split into five parts which are Section A, Section B, Section C, Section D and Section E. Respondents' demographic profiles are in Section A, Section B involves the dependent variables aspects which is acceptance of online banking transaction. Section C, Section D and Section E contains independent variables which are convenience, security and social influence. Section B, Section C, Section D and Section E are measure by 5-Point Likert Scales which ranges from 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree.

| Strongly Disagree Sangat Tidak Setuju | Disagree Tidak Setuju | Neutral Natural | Agree Setuju | Strongly Agree Sangat Setuju |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

Table 3.7.0= Measurement for Section B, C, D and E

In this quantitative study, questionnaires and instruments are the tools that are the primary sources of data being analyzed to answer the questions or hypotheses in the investigation. In this study, the researchers created their entries to create a series of question tables representing some aspect of a measured variable or construct.

### 3.7.1 Pilot Study

Pilot study is a study or research that be made before a real sampling be done. Usually, pilot study will use a sample size of 10% of the sample size from the real or main study. In a situation, if a research needs a 600 respondent, the pilot study will require a sample size of 60 respondent. In this study, it is estimated that there will need to find

around 357 respondents. Thus, the minimum size of sample size is 36 respondents. The pilot study that been started has found a total of 39 respondents. This pilot study will test the reliability of the questionnaire that will be spread in the next chapter. After the respondents has been found, the data will be analysed using SPSS to check the reliability of the questionnaire and data collected. The analysis will be using Cronbach's Alpha. A good value of Cronbach's Alpha are starting from 0.7 and higher. This will determine the reliability of the questionnaire and the data collected. Section B, Section C, Section D and Section E are measure by ranges from 1 = Uncertain, 2 = Strongly Disagree, 3 = Disagree, 4 = Agree and 5 = Strongly Agree.

| Uncertain Tidak Pasti | Strongly Disagree Sangat Tidak Setuju | Disagree Tidak Setuju | Agree Setuju | Strongly Agree Sangat Setuju |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

Table 3.7.1= Measurement for Section B, C, D and E (Pilot Study)

| PART | VARIABLES | ITEM | AUTHORS |
|---|---|---|---|
| B | Factor acceptance of online banking transaction | 15 | (Latef, 2019), (Zubir,2022), (Cheng et al., 2006), (Mosa,2022) |
| C | Convenience | 15 | (Jiang et al., 2013), (Beauchamp and Ponder, 2010), (Duarte et al., 2018), (Colwell et al., 2008), |
| D | Security | 11 | Joseph et al. (1999), Wang et al. (2003), Pikkarainen et al. (2004), (Ranganathan and Ganapathy, 2002), (Kaura, 2013) |
| E | Social Influence | 14 | (Shamsul Anuar Mokhtar, 2017), (Tan Booranapim, 2020), (Md. Alamgir |

| | | | | Hossain, 2021) |
|---|---|---|---|---|

Table 3.7.2= Authors and Source of Question Development

### Reliability Statistics

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|---|---|---|
| .969 | .968 | 55 |

Table 3.7.3: The Reliability Test of Acceptance of Online Banking Transaction, Convenience, Security and Social Influence

Table 3.7.3 shows the reliability analysis for acceptance of online banking transaction, convenience, security and social influence. Cronbach's alpha coefficient presents a value of 0.969. Hence, the questionnaire is reliable and can be used for the research.

## 3.8 Measurement of the variables

In this study, researchers will collect and analyse data to help determine statistical inference tests to examine each variable on a scale. There are three measurement scales used in this online questionnaire are nominal, ordinal, and interval. The questionnaire is divided into five main sections namely sections A, B, C, D and E. Section A is a question for the demographic profile of the respondents and section B is a question for the dependent variable that is acceptance of online banking transaction, while section C, D, E are a question for the independent variable divided into three namely security, convenience and social influence.

### 3.8.1 Nominal Scale

The nominal scale is a simple measurement scale. The nominal scale is for qualitative variables where the numbers used are only as categories and have no meaning or cannot be used for mathematical calculations. Briefly, nominal scales form numbers

to indicate different categories. The nominal scale will be used in the part A questionnaire to determine the demographic profile of each respondent. Gender, age, faculty, course and year were all measured in a nominal scale based on a questionnaire to analyse the target respondents.

### 3.8.2 Ordinal Scale

Ordinal scale is a measurement scale used in research to differentiate data, as well as containing elements of ranking, degree or level through a specific assessment. Assessments performed on an ordinal scale can contain elements of objectivity or subjectivity or a combination of both. Ordinal scales are very useful because they have levels in measuring the level of loyalty, relationships, satisfaction, motivation, product or service quality, success, added value and more.

In this study, an ordinal variable is a type of measurement variable that accepts values in a particular order or rank used in quantitative variables. This ordinal variable is the second level of measurement and is a subset of the nominal variable. This scale arranges the objects in descending order of satisfaction that is from least to most satisfied. The Likert scale is a scale that is often used in research. The 5-point Likert scale (strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5) aims to assess the extent to which statements agree or disagree. As a result, the Likert scale also used in this questionnaire to evaluate each item in section B.

### 3.9 Procedure for Data Analysis

The methodical use of logical or statistical methods to describe, present, evaluate, and summarize data is known as data analysis. The data in this study will be analysed and interpreted with the help of the statistical software package SPSS. Analysing, personalizing, and establishing recognizable patterns between various data factors are all accomplished with this approach. The data for this study were gathered using descriptive analysis, Spearman correlation analysis, frequency analysis, reliability and validity checks, and multiple linear regression analysis.

### 3.9.1 Reliability and Validity Test

In order to ensure that all participants will find it easier to complete the questionnaire and select the options that best express their perspectives, a reliability test will be performed in this study. According to Sekaran (2003), the term "reliability" refers to measurement values that consistently and without error yield findings. Coefficients are used to estimate the measuring scale's reliability, and Cronbach's Alpha is used to assess the coefficients' consistency. Cronbach's alpha tells us how consistent the ratings of the respondents are. When the Cronbach alpha scores are less than 1, the relationship between the independent factors and the dependent variable will be stronger. The statistics merit further investigation, according to our evaluation.

### 3.9.2 Descriptive Analysis

Descriptive statistics will be used to analyze percentage, frequency, and MCT measures like the mean, mode, and median. In data analysis chapters, percentages and frequencies are frequently used for demographic parameters like gender, age, and even education. Consequently, it was useful in Questionnaire Section A, where respondents were asked to provide demographic information.

### 3.9.3 Multiple Linear Regression (MLR)

Because the independent variables (convenience, security, and social impact) each have multiple independent variables, this study employs multiple linear regression to examine the components. Essentially, multiple linear regressions will be used to predict the factors that influence students at the UMK City Campus' acceptance of online banking.

### 3.9.4 Pearson Correlation

The Pearson's product moment correlation coefficient is a statistical measure of the linear correlation between two variables, X and Y. It ranges from +1 to -1, with 1

representing the sum of all positive correlations, 0 representing no connection, and -1 representing the sum of all negative correlations. In research, it is frequently used to measure the linear dependence between two variables. Each set of points has a correlation coefficient for x and y. Keep in mind that correlations do not accurately represent the slope of the nonlinear relationship or many other nonlinear properties; rather, they indicate the nonlinear model and direction of the relationship. The correlation coefficient cannot be calculated if the figure at the center is found in the additional 0 slope because the variance Y is zero.

3.10 Summary

Briefly, this chapter clearly describes and outlines the methodology that will be used for this research. The study population consisted of students from University Malaysia Kelantan City Campus. The data collection method used is by e-questionnaire through Google Forms. The questionnaire was divided into three parts namely part A for the demographic profile of the respondents, part B for questions dependent variables and part C, D and E of the question for independent variables. Overall, this chapter discusses the study design, data collection methods, study population, sampling techniques, sample size for sampling design, development of study instruments, measurement of variables and procedures for data analysis. The findings will be analysed and discussed in more detail in Chapter 4.

# CHAPTER 4

## DATA ANALYSIS AND FINDINGS

### 4.1 Introduction

Chapter 4 which is data analysis and findings will analyze the process and procedures that has been created in the previous chapter. This chapter will analyze the data that has been gathered using the questionnaire that has been created from the previous chapter. There are some tools that has been used on the data that has been collected which is Statistical Package for Social Science (SPSS) version 26. There are some analysis or test that has been used such as reliability analysis, normality analysis, multiple regression analysis and others. Descriptive analysis also has been used to analyze the collected data which is the respondent demographic profile. Multiple Linear Regression has been used to analyze the elements that affect the acceptance of online banking among undergraduates of University Malaysia Kelantan. Pearson's correlation was utilised to analyze the significance of the convenience, security, social influence, and acceptance of online banking amoung undergraduates of University Malaysia Kelantan City Campus.

### 4.2 Demographic Profile of Respondents

In this research, there are total of 373 respondent that has been gathered to answered the questionnaire that has been prepared. The respondents that has been gathered consists of wide range of demographic profile such as gender, age, year of study and course of study level. Table 4.1 show the response rate of questionnaire. The data that has been gathered from 373 respondents has been analyze using Statistical Package for Social Science (SPSS) version 26.

**Gender**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Female | 191 | 51.2 | 51.2 | 51.2 |
| | Male | 182 | 48.8 | 48.8 | 100.0 |
| | Total | 373 | 100.0 | 100.0 | |

Table 4.2.1: Demographic Respondent Profile Based on Gender

**Age**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | 18 - 20 years old | 81 | 21.7 | 21.7 | 21.7 |
| | 21- 23 years old | 188 | 50.4 | 50.4 | 72.1 |
| | 24 - 26 years old | 95 | 25.5 | 25.5 | 97.6 |
| | 27 - 30 years old | 9 | 2.4 | 2.4 | 100.0 |
| | Total | 373 | 100.0 | 100.0 | |

Table 4.2.2: Demographic Respondent Profile Based on Age

**Year of Study**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Year 1 | 72 | 19.3 | 19.3 | 19.3 |
| | Year 2 | 82 | 22.0 | 22.0 | 41.3 |

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Year 3 | 83 | 22.3 | 22.3 | 63.5 |
| Year 4 | 113 | 30.3 | 30.3 | 93.8 |
| Year 5 | 23 | 6.2 | 6.2 | 100.0 |
| Total | 373 | 100.0 | 100.0 | |

Table 4.2.3: Demographic Respondent  Profile Based on Year of Study

**Course of Study**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| | 2 | .5 | .5 | .5 |
| SAB | 88 | 23.6 | 23.6 | 24.1 |
| SAE | 59 | 15.8 | 15.8 | 39.9 |
| SAH | 27 | 7.2 | 7.2 | 47.2 |
| SAK | 37 | 9.9 | 9.9 | 57.1 |
| SAL | 28 | 7.5 | 7.5 | 64.6 |
| SAP | 41 | 11.0 | 11.0 | 75.6 |
| SAR | 60 | 16.1 | 16.1 | 91.7 |
| SAW | 31 | 8.3 | 8.3 | 100.0 |
| Total | 373 | 100.0 | 100.0 | |

Table 4.2.4: Demographic Respondent Profile Based on Course of Study

Table 4.2.1 has shown the demographic profile of respondent base on gender. Table 4.2.1 has consists of 387 respondents which has been divided into gender. According to the Table 4.2.1, the data that has been collected was 182 respondents of male respondents. This also consists of 48.8% of the total respondents. The amount of

female respondents that has been gathered from this research are 191 respondents. The total percentage of female respondents are 51.2%. Thus, the total amount of male respondent are 182 respondents which consist of 48.8% and the amount of female respondents are 191 respondents which consist of 51.2%.

According to table 4.2.2, there are several categories of respondents in the age categories which are 18-20 years old, 21-23 years old, 24-26 years old and 27-30 years old. From the 373 of total respondents, there are 81 respondents that consists of 18-20 years old. This amount of respondents are represents 21.7% of the total respondents. Amount of respondents that consist of 21-23 years old are 188 respondents that has been gathered. This amount of respondents that from 21-23 years old respondents represent 50.4%. From the 373 of total respondents, there are 95 respondents that consists of 24-26 years old. This amount of respondents are represents 25.5% of the total respondents. Amount of respondents that consist of 27-30 years old are 9 respondents that has been gathered. This amount of respondents that from 27-30 years old respondents represent 2.4%.

According to the table 4.2.3, this data that has been collected and be divided into age of years. Most of the respondents that has been gathered are Year 4 student which consist of 113 respondents. Year 4 respondents has represent 30.3% of the total respondents. Year 1 respondents has represent 19.3% of total population which has produced 72 respondents. There are two group of respondents which has a slightly different of respondents which are Year 2 and Year 3 students are 82 respondents and 83 respondents. Year 2 respondents and Year 3 respondents have represented 22% and 22.3% of the total respondents that has been gathered. The least amount of respondents that has been gathered are consists of Year 5 students which bring a total of 23 respondents. Year 5 respondents has represent 6.2% of the total amount of respondents.

According to table 4.2.4, the most amount of respondent that has been gathered in this research are from SAB course which are consists of 88 respondents. The amount of respondents that been represent by SAB course student are 23.6% from the total amount of respondents. The second largest and third largest amount of respondents which can be differentiate by a slightly different are from SAR course student and SAE course students which consists of 60 respondents and 59 respondents. The SAR course respondents and SAE course respondents has represent 16.1% and 15.8% of the respondents. From the 373 of total respondents, there are 37 respondents that consists of SAK course students. This amount of respondents are represents 9.9% of the total respondents. Amount of respondents that consist of SAP course students old are 41 respondents that has been gathered. This amount of respondents that from SAP course respondents represent 11%. From the 373 of total respondents, there are 31 respondents that consists of SAW course respondents. This amount of respondents are represents 8.3% of the total respondents. The least amount of respondents which consist of two group of course students which are SAL course students and SAH course student. The amount of SAL course respondents are 28 respondents which represent 7.5% of total respondents of the research while SAH course respondents consists of 27 respondents which has represent 7.2% of total amount of respondents.

## 4.3 Descriptive Analysis

Descriptive analysis is one of the type of data analysis that has been used in this research to analysis the data that has been gathered. Descriptive analysis explain briefly on illustrating or summarising the data collection in a constructive way so that patterns might develop that satisfy all of the data's conditions. Descriptive analysis also one of the most crucial procedures in statistical data analysis. It provides you with a conclusion about the data collection that has been gathered from the total respondents. Descriptive

analysis will help in assisting to detect some errors and allows to spot commonalities among variables and preparing for additional statistical analysis. The variables that been used in this research is the acceptance of online banking which represents dependent variables and independent variables which consist of security, convenience and social influence

### 4.3.1 OVERALL MEAN SCORES FOR VARIABLES

| | N | Mean | Std. Deviation |
|---|---|---|---|
| Acceptance of Online Banking | 373 | 4.1901 | .38463 |
| Security | 373 | 4.1826 | .35346 |
| Convenience | 373 | 4.1091 | .46792 |
| Social Influence | 373 | 4.2051 | .39872 |
| Valid N (listwise) | 373 | | |

Table 4.3.1 Overall Mean Scores for Variables

According to the analysis that has been recorded in Table 4.3.1, there are two variables that has been categorised which are independent variables and independent variables. Dependent variables has been represented by acceptance of online banking while independent variables has been represented by security, convenience and social influence. The mean scores for independent variables which has been represent by acceptance of online banking was 4.1901. Acceptance of online banking has produce a value for standard deviation which is 0.38463. This has shown the low disperse of data during the data collection of respondents. Security which are one of the independent variables has the value of mean which is 4.1826. Security also has produce a standard

deviation of 0.35346. Convenience is one of the independent variables which has the lowest value of mean scores compared to other variables which is 4.1091. Convenience has a standard deviation of 0.46792. This shown that convenience has the highest disperse of data collection compared to others variables. The highest value of mean scores are from social influence which represents one of the independent variables which is 4.2051. The standard deviation for social influence is 0.39872.

### 4.3.2 DESCRIPTIVE ANALYSIS FOR INDEPENDENT VARIABLES

Table 4.3.2.1: Descriptive Analysis of Convenience Factor

| No. | Convenience | Mean | SD | N |
|---|---|---|---|---|
| 1. | I can avail online banking services anytime I want | 4.10 | 0.649 | 373 |
| 2. | I can avail online banking services wherever I am | 4.23 | 0.706 | 373 |
| 3. | The online banking is always accessible | 4.21 | 0.718 | 373 |
| 4. | The bank website provides useful information | 4.20 | 0.714 | 373 |
| 5. | The online banking website provides detailed services specifications | 4.18 | 0.694 | 373 |
| 6. | Bank website provides interactive interface by using icons, images, and moving pictures | 4.12 | 0.705 | 373 |
| 7. | I find it easy to complete my transaction with bank branch | 4.16 | 0.726 | 373 |
| 8. | I am able to avail service quickly with bank branch | 4.15 | 0.720 | 373 |

| 9. | It takes little effort to deal with this bank branch during availing banking services | 4.25 | 0.707 | 373 |
|---|---|---|---|---|
| 10. | The time required to receive the banking service from branch is reasonable | 4.18 | 0.740 | 373 |

Ten questions are included in the descriptive analysis for the first factor of the independent variable, convenience, as shown in Table 4.3.2.1. The scale of Five-Point Likert ranges was 4.10 to 4.25 for all mean responses about the convenience factor variable is shown in this table. According to Table 4.3.2.1, the average mean for the convenience factor was 4.598. Question 9, "It takes little effort to deal with this bank branch when availing of banking services," had the highest mean, which was 4.25 (SD=0.707). In contrast, the question with the lowest mean score, "Respondents can avail themselves of online banking services at any time," received a score of 4.10 (SD=0.649). In question 5, the online banking website provides detailed service specifications (SD=0.694), and in question 10, the reasonable time required to receive banking service from a branch (SD=0.740) and the mode for the convenience factor was 4.18, while the median for this factor was 4.18.

Table 4.3.2.2: Descriptive Analysis of Security Factor

| No. | Security | Mean | SD | N |
|---|---|---|---|---|
| 1. | I would feel secure sending sensitive information across the internet banking | 3.86 | 0.752 | 373 |

| | | | | |
|---|---|---|---|---|
| 2. | The internet banking is a secure means through which to send sensitive information | 4.07 | 0.832 | 373 |
| 3. | I would feel totally safe providing sensitive information about myself over the internet banking | 3.98 | 0.861 | 373 |
| 4. | Overall, the internet banking is a safe place to transmit sensitive information | 4.05 | 0.862 | 373 |
| 5. | I believe that internet banking is able to conduct banking transactions securely | 4.16 | 0.726 | 373 |
| 6. | I believe that internet banking guarantees that all transactions have taken place | 4.18 | 0.744 | 373 |
| 7. | I believe that using internet banking is financially secure | 4.22 | 0.755 | 373 |
| 8. | Overall, I am not worried about the security aspects of internet banking | 4.17 | 0.790 | 373 |
| 9. | I think banks has mechanisms to ensure the safe transmission of its users' information | 4.18 | 0.688 | 373 |
| 10. | I think banks show great concern for the security of any transactions | 4.17 | 0.763 | 373 |

The ten-question descriptive analysis for the second independent variable, security factors, is presented in Table 4.3.2.2. The scale of Five-Point Likert ranges from 3.86 to 4.22 for all mean responses about the security factor variable is shown in this table. The second factor's mean was 4.108, according to Table 4.3.2.2. The highest mean was

4.22 (SD=0.755) for the students' belief that using internet banking is financially secure in response to question 7. In contrast, the lowest mean score for question 1 is 3.86, with SD of 0.752. This indicates that respondents would feel safe sending sensitive information via online banking. In question 8, respondents did not worry about the security aspects of internet banking (SD=0.790), and in question 10, respondents believed that banks showed a great deal of concern for the security of any transactions (SD=0.763), with the Security factor having a mode of 4.17 and a median of 4.165.

Table 4.3.3.3: Descriptive Analysis of Social Influence factor

| No. | Social Influence | Mean | SD | N |
|---|---|---|---|---|
| 1. | My friends and family value the use of mobile banking | 4.06 | 0.705 | 373 |
| 2. | Many people that influence me use mobile banking | 4.23 | 0.749 | 373 |
| 3. | I find mobile banking trendy | 4.32 | 0.696 | 373 |
| 4. | The use of mobile banking gives me professional status | 4.20 | 0.712 | 373 |
| 5. | People who are important to me suggest that I should use online banking platform | 4.11 | 0.753 | 373 |
| 6. | Acquainted people with me suggest that I should use online banking platform | 4.19 | 0.724 | 373 |
| 7. | People surrounding with me using online banking platform | 4.24 | 0.710 | 373 |

| 8. | People in my surroundings who use bank services have more prestige than those who do not | 4.13 | 0.773 | 373 |
|----|---|---|---|---|
| 9. | People who influence my behaviour think that I should use bank services | 4.24 | 0.761 | 373 |
| 10. | People who are important to me think that I should use bank services | 4.27 | 0.722 | 373 |

The ten questions in the descriptive analysis for the third independent variable, the social influence factor, are listed in Table 4.3.2.3. The mean response for the social influence factor variable on the scale of Five-Point Likert, which ranges 4.06 to 4.32, is shown in this table. According to Table 4.2.3.3, the average mean for this third factor was 4.204. The highest mean for the students' response to question 3, in which they were asked if they consider mobile banking to be fashionable, was 4.32, with a standard deviation of 0.696. In contrast, the question with the lowest mean score was 4.06 (SD=0.705), which asked respondents if they thought their friends and family valued using mobile banking. In question 7, respondents believed that those around me used an online banking platform (SD=0.710), and in question 9, respondents believed that those who influenced my behaviour believed that they should use bank services (SD=0.761) and both of that question be the mode mean, while the median for this factor being 4.215.

## 4.3.3 DESCRIPTIVE ANALYSIS FOR DEPENDENT VARIABLES

Table 4.3.3.4,Descriptive Analysis Acceptance of online banking transaction factor

| No. | Acceptance of online banking transaction | Mean | SD | N |
|---|---|---|---|---|

| | | | |
|---|---|---|---|
| 1.   I use internet banking often | 3.98 | 0.649 | 373 |
| 2.   I use internet banking more frequently than classic banking services | 4.24 | 0.716 | 373 |
| 3.   I use internet banking as main way of using banking services | 4.29 | 0.753 | 373 |
| 4.   I prefer using online banking services instead of visiting branch for doing my transaction | 4.15 | 0.723 | 373 |
| 5.   I would see myself using the electronic banking services for handling my banking transaction | 4.12 | 0.725 | 373 |
| 6.   The bank's customer service staff provide a clear answer to all my inquiries | 4.23 | 0.750 | 373 |
| 7.   The bank always gives me accurate notifications about my financial dealings | 4.24 | 0.740 | 373 |
| 8.   I can benefit from the bank's E-services through its application on smartphones | 4.23 | 0.691 | 373 |
| 9.   I can use ATMs to complete financial transactions in commercial complexes and public places | 4.19 | 0.709 | 373 |
| 10.  I easily contact the bank's complaints handling systems | 4.18 | 0.782 | 373 |

The descriptive analysis for the dependent variable, Acceptance of online banking transaction factor, which also includes ten questions, was shown in Table 4.3.3.1. Following the Five-Point Likert scale, the mean response of each respondent to the Acceptance of online banking transaction factor variable is displayed in this table. In Table 4.3.3.1, the acceptance of online banking transaction factor had an average mean

of 4.206. To summarize, the question with the highest mean for the dependent variable—students' primary use of internet banking—was 4.29 (SD=0.753). In contrast, the respondents who responded, "I use internet banking frequently," received the lowest mean score, which is 3.98 (SD=0.649). In question 2, respondents use internet banking more frequently than traditional banking services (SD=0.716), and in question 7, respondents believe the bank always provides accurate notifications regarding their financial dealings (SD=0.740) and both of them be the mode mean, while the median for this factor was 4.21.

## 4.4 Cronbach's Alpha Reliability Analysis

The dependability coefficient is the ratio of actual inconsistency to the variability achieved through experimentation. In order to assess the data and ensure its internal and external dependability, Cronbach's Alpha analysis was carried out. On a conventional 0–1 scale, Cronbach's alpha calculates the degree of agreement. A value of 0.4 or less is considered undesirable, whereas a value of 0.9 or above is considered to be a highly dependable result (George & Mallery, 2016). The Cronbach's Alpha Coefficient Range by George and Mallery (2016) is displayed in Table 4.4.1 below.

Table 4.4.1: Rules of thumb of Cronbach's Alpha Coefficient Range

| No. | Cronbach's Alpha Range | Reliability Level |
|-----|------------------------|-------------------|
| 1. | More than 0.9 | Excellent |
| 2. | 0.8 – 0.89 | Good |
| 3. | 0.7 – 0.79 | Acceptable |
| 4. | 0.6 – 0.69 | Questionable |
| 5. | 0.5 – 0.59 | Poor |

| | | |
|---|---|---|
| 6. | Less than 0.59 | Unacceptable |

4.4.1 Actual Reliability Test

Table 4.4.2: Reliability Coefficient for each Section of Questionnaire.

| Dependent Variables | Cronbach's Alpha | N of Items |
|---|---|---|
| Acceptance of Online Banking | .716 | 10 |
| **Independent Variables** | | |
| Convenience | .664 | 10 |
| Security | .803 | 10 |
| Social Influence | .737 | 10 |
| **All variables** | **.897** | **40** |

*No of respondents (N) = 373*

The reliability test of the pilot test has already been conducted, and the reliability test of the questionnaire is currently underway. Cronbach's alpha coefficient showed a value of 0.897 for all variables. This shows the reliable of the questionnaire and its can be used for research. Table 4.4.2 displays the independent and dependent reliability coefficients for this experiment. Acceptance of online banking is the dependent variable, and Cronbach's alpha for this variable is 0.716, which is good value. Cronbach's alpha of independent variables namely convenience, security and social influence show good values of 0.664, 0.803 and 0.737 respectively. As a result, the study can employ this questionnaire because it is trustworthy.

## 4.5 Normality Test

Table 4.5: Test of Normality

| Variable | Kolmogorov-Smirnov[a] | | Shapiro-Wilk | |
|---|---|---|---|---|
| | Statistic | Sig. | Statistic | Sig. |
| Acceptance of Online Banking | .084 | .000 | .960 | .000 |
| Convenience | .109 | .000 | .975 | .000 |
| Security | .134 | .000 | .866 | .000 |
| Social Influence | .086 | .000 | .955 | .000 |

The normality test is famous for two tests namely the Kolmogorov–Smirnov test and the Shapiro–Wilk test and is the most widely used method to test the normality of data. The Kolmogorov-Smirnov test uses a more general method, while the Shapiro-Wilk test is a specific test for normality. If (p>0.05), Kolmogorov-Smirnov is regarded as a normal result, whereas the Shapiro-Wilk test is regarded as abnormal. For a significant result, the Kolmogorov-Smirnov p-value for each independent and dependent variable should be (p=0.000). While all significant values for the Shapiro-Wilk test are (p=0.000), which is less than 0.05. Based on the test in this study, all dependent variables (Acceptance of Online Banking) and independent variables (Convenience, Security and Social Influence) and are not normal for correlation analysis.

## 4.6 Pearson Correlation

Table 4.5.1: The Magnitude Relationship of Pearson Correlation Value

| Pearson Correlation Value, r | Magnitude Relationship |
|---|---|
| 1.01– 0.09 | Negligible |
| 0.10 – 0.29 | Low |
| 0.30 – 0.49 | Moderate |
| 0.50 – 0.69 | Substantial |
| 0.70 – 0.90 | High |
| 1.0 | Perfect |

Table 4.5.2: The Pearson Correlation

| | Acceptance of online banking transaction | Convenience | Security | Social Influence |
|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| Acceptance of online banking transaction | Pearson Correlation | 1 | .616** | .370** | .596** |
| | Sig. (2-tailed) | | 2.0692E-40 | 1.4741E-13 | 3.1153E-37 |
| | N | 373 | 373 | 373 | 373 |
| Convenience | Pearson Correlation | .616** | 1 | .563** | .678** |
| | Sig. (2-tailed) | 2.0692E-40 | | .000 | .000 |
| | N | 373 | 373 | 373 | 373 |

| | | | | | |
|---|---|---|---|---|---|
| Security | Pearson Correlation | .370** | .563** | 1 | .577** |
| | Sig. (2-tailed) | 1.4741E-13 | .000 | | .000 |
| | N | 373 | 373 | 373 | 373 |
| Social Influence | Pearson Correlation | .596** | .678** | .577** | 1 |
| | Sig. (2-tailed) | 3.1153E-37 | .000 | .000 | |
| | N | 373 | 373 | 373 | 373 |
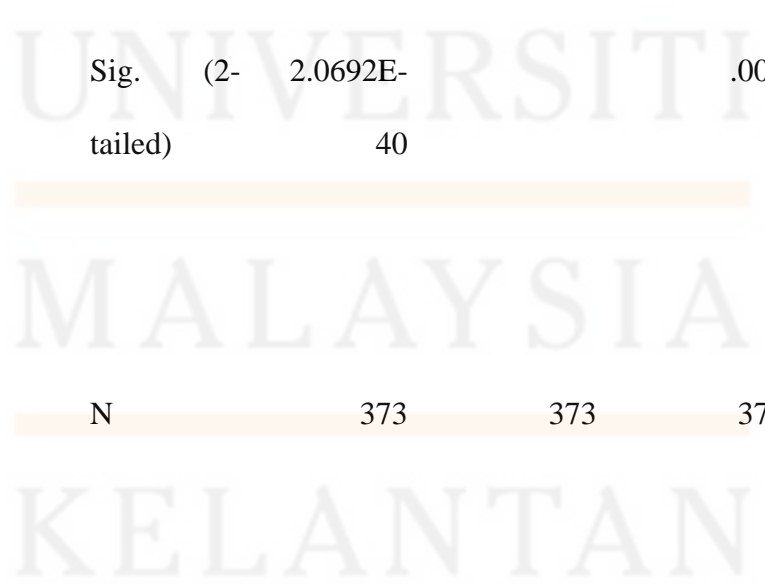
**. Correlation is significant at the 0.01 level (2-tailed).

One correlation metric has been used in this study to estimate the strength of a linear relationship between two types of variables is the Pearson correlation. The researchers employed Pearson Correlation Coefficients to determine the significance of the association between the Acceptance of online banking transaction as a dependent variable and the convenience, security, and also social influence as a independent variable. From the table 4.5.1, it displayed the Pearson Correlation value's magnitude relationship, while for the table 4.5.2, it displayed the outcome of the Pearson's Correlation Coefficient utilized to determine the hypotheses for this study.

Table 4.5.3.1: Findings of the Result

| Hypotheses | Result | Findings of data analysis |
|---|---|---|
| H1: There is a significant relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.370, p = 1.4741E-13 Weak | H2 is accepted |
| H2: There is a significant relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.616, p = 2.0692E-40 Moderate | H1 is accepted |

| H3: There is a significant relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.596, p = 3.1153E-37 Moderate | H3 is accepted |
|---|---|---|

**4.7 Multiple Linear Regression**

In this study, to forecast the results of the component influencing the factor of the acceptance of online banking transaction, multiple linear regression was utilized according to the independent variables of security, social influence and convenience

Table 4.7.1: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .664[a] | .441 | .437 | .28864 |

a.  Predictors: (Constant), convenience, security, social influence

According to the Table 4.7.1 show the explanation of the strength of the model's correlation with acceptance of online banking transaction. R, the multiple correlation coefficient, is 0.664, showing a significant correlation between the

factors. According to the coefficient of determination, R Square, 44.1 percent of the change of acceptance of online banking transaction can be explained by the changes in the independent variable, which is changes in convenience, security, and also social influence. The remaining 55.9% indicate that there is no link between acceptance of online banking transaction and security, social influence and convenience.

Table 4.7.2: ANOVA

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|-----------|
| 1 Regression | 24.290 | 3 | 8.097 | 97.182 | 2.2621E -46 |
| Residual | 30.743 | 369 | .083 | | |
| Total | 55.033 | 372 | | | |

a. Dependent Variable: acceptance of online banking transaction

b. Predictors: (Constant), convenience, security, social influence

From the table 4.7.2, it shows that the value of F is 97.182, and a p-value of 2.2621E-46 indicates the significance, because of the p value is less than the 0.05 alpha level. This shows that the differences between the dependent and independent

variables are statistically significant. Therefore, among students at UMK City Campus, the factor of the acceptance of online banking transaction can be predicted by convenience, security, and social influence.

Table 4.7.3: Coefficient

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.096 | .186 | | 5.880 | 9.179E-9 |
| | Convenience | .451 | .060 | .414 | 7.501 | 4.7784E-13 |
| | Security | -.055 | .041 | -.067 | -1.354 | .177 |
| | Social Influence | .341 | .054 | .354 | .6.327 | 7.2298E-10 |

a.        Dependent Variable: acceptance of online banking transaction

According to the results from table 4.7.3 above, convenience and social influence have a P value of 4.7784E-13 and 7.2298E-10 when the value is lower than (0.05). It suggests that social influence and convenience are influencing the factor of the acceptance of online banking transaction. While the security's P value is 0.177, respectively.  Because the value of $P > 0.05$, it is argued that all the variables have no significant factors on whether people are accepting the online banking or not.

**4.8 Hypothesis Testing**

**4.8.1 RELATIONSHIP BETWEEN SECURITY AND THE FACTOR OF THE ACCEPTANCE OF ONLINE BANKING TRANSACTION AMONG STUDENT AT UNIVERSITY MALAYSIA KELANTAN (UMK) CITY CAMPUS.**

H0: There is no relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

H1: There is a relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

According to table 4.5.2, there is a significant relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus because the value of p is 1.4741E-13, which is lower than =0.05, and the value of the Pearson Correlation Coefficient is 0.616, which explains the substantial relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. The result, the H1 is accepted.

**4.8.2 RELATIONSHIP BETWEEN CONVENIENCE AND THE FACTOR OF THE ACCEPTANCE OF ONLINE BANKING TRANSACTION AMONG STUDENT AT UNIVERSITY MALAYSIA KELANTAN (UMK) CITY CAMPUS.**

H0: There is no relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

H2: There is a relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

According to table 4.5.2, there is a significant relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus, as the value of p is 2.0692E-40, which is lower than =0.05. While the value of the Pearson Correlation Coefficient is 0.370, it explains the moderate relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. For the result, we found out that the H2 is can be accepted.

## 4.8.3 RELATIONSHIP BETWEEN SOCIAL INFLUENCE AND THE FACTOR OF THE ACCEPTANCE OF ONLINE BANKING TRANSACTION AMONG STUDENT AT UNIVERSITY MALAYSIA KELANTAN (UMK) CITY CAMPUS.

H0: There is no relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

H3: There is a relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

According to table 4.5.2, there is a significant relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus because the value of p is 3.1153E-37, which is lower than =0.05, and the value of the Pearson Correlation Coefficient is

0.596, which explains the substantial relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. The result, the H3 is can be accepted.

## 4.8.4 FACTORS INFLUENCE BETWEEN CONVENIENCE, SECURITY, AND SOCIAL

## INFLUENCE WITH THE FACTOR OF THE ACCEPTANCE OF ONLINE BANKING TRANSACTION AMONG STUDENT AT UNIVERSITY MALAYSIA KELANTAN (UMK) CITY CAMPUS.

H0: Convenience, security, and social influence are not the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

H1: Convenience, security, and social influence are the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus.

According to table 4.5.2, there is a significant relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus, this is because of the value of p is 2.0692E-40, it means the value of p is lower than =0.05. Other than that, there is also a significant relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus, as we can see the value of p is 1.4741E-13, it means the value of p is lower than =0.05. From the table 4.5.2 also indicated that there is a significant relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus, as the result that we got that the

value of p is 3.1153E-37, which is less than 0.05. As the conclusion, we know that convenience, security, and social influence are all the important factors in influencing the acceptance of online banking transaction among student at the University Malaysia Kelantan (UMK) City Campus because the p-value for each independent variable is less than 0.05.

## 4.9 Summary

Results of all tests' data analysis, performed using SPSS software, are presented in chapter 4 of this study. To ascertain the relationship between the dependent variable and the independent variable and to pinpoint the element influencing University Malaysia Kelantan students' acceptance of online banking transactions, the data collected was subjected to descriptive analysis, reliability testing, Pearson Correlation, and multiple linear regression analysis. The findings of the link between the independent and dependent variables, as well as the factor influencing the acceptance of online banking transactions, will all be thoroughly explored and explained in Chapter 5.

# CHAPTER 5

# DISCUSSION AND CONCLUSION

## 5.1 Introduction

Key findings, study implications, study limits, and suggestions for further research will all be covered in this chapter by researchers. The summary of the findings from this research's chapter 4 will be explained by the important findings. Using the problem and prior research from chapter 2 as a foundation, the summary of the findings was created. Whether the research hypothesis was approved or rejected, researchers have also stated their presumptions in relation to this. The researchers will describe any challenges or issues they ran into while conducting this study in the study's limitations. Finally, in this chapter, researchers will also talk about their suggestions for additional study.

## 5.2 Key Findings

Identify the relationship between convenience, security, social influence and acceptance of online banking among undergraduates of University Malaysia Kelantan City Campus is the main objective of this study. The researchers agreed that convenience and social influence do influence the acceptance of online banking transactions while the security do not influence the acceptance of online banking among undergraduates of University Malaysia Kelantan City Campus based on the findings in chapter 4. The outcomes of the objectives, which were to determine the relationship between convenience, security, and social influence to the factor of acceptance of online banking among undergraduates at University Malaysia Kelantan City Campus, are summarised in Table 5.1.

Table 5.1: Findings of the Result

| Hypotheses | Result | Findings of data analysis |
|---|---|---|
| H1: There is a significant relationship between security and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.370, p = 1.4741E-13 Weak | H1 is accepted |
| H2: There is a significant relationship between convenience and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.616, p = 2.0692E-40 Moderate | H2 is accepted |
| H3: There is a significant relationship between social influence and the factor of the acceptance of online banking transaction among student at University Malaysia Kelantan (UMK) City Campus. | r = 0.596, p = 3.1153E-37 Moderate | H3 is accepted |

According to the research objective (ro1) which is to analyses the relationship between security and the acceptance of online banking transaction among student at UMK City Campus and the research question (rq1) which is there a relationship between

security and the acceptance of online banking transactions among student at UMK City Campus. The findings of this research has shown that there is a relationship between security and the acceptance of online banking transaction among student at UMK City Campus. Thus, security is one of the factors that influence the acceptance of online banking transaction among student at UMK City Campus. The research objective one has achieved.

According to the research objective (ro2) which is to analyses the relationship between convenience and the acceptance of online banking transaction among student at UMK City Campus and the research question (rq2) which is there a relationship between convenience and the acceptance of online banking transactions among student at UMK City Campus. The findings of this research has shown that there is a relationship between security and the acceptance of online banking transaction among student at UMK City Campus. Thus, convenience is one of the factors that influence the acceptance of online banking transaction among student at UMK City Campus. The research objective two has achieved.

According to the research objective (ro3) which is to analyses the relationship between social influence and the acceptance of online banking transaction among student at UMK City Campus and the research question (rq3) which is there a relationship between social influence and the acceptance of online banking transactions among student at UMK City Campus. The findings of this research has shown that there is a relationship between security and the acceptance of online banking transaction among student at UMK City Campus. Thus, social influence is one of the factors that influence the acceptance of online banking transaction among student at UMK City Campus. The research objective three has achieved.

**5.3 Discussion**

5.3.1 CONVENIENCE

Table 5.1's Pearson Correlation Coefficient indicated a p-value of 1.4741E-13, which is lower than 0.005 at the alpha value for convenience. The 4.7784E-13 p-value from the multiple linear regression coefficient was also included in Convenience is a factor in the adoption of online banking transactions among students at the UMK City Campus, as shown by Table 5.1. There is a positive correlation between convenience and acceptability of using online banking.

According to previous research, the suggested model's convenience is one of its most important features. Bezhovski (2016) claims that the convenience factor, which reflects consumers' preferences and willingness to utilize the most recent technology, makes customers feel at ease when using financial digital payments. In addition, Subhashish Bose (2020) findings are consistent with the results. According to the findings, people utilize services for internet banking because they feel it is easier to use and comprehend, more convenient, and saves time (Covid-19). Furthermore, the researchers anticipate that UMK City Campus students would utilise digital banking transactions more since it is more convenient for them to pay their payments with a huge monetary amount without having to worry travelling to the bank with a large quantity of cash because it will be unsafe

.

5.3.2 SECURITY

The Pearson Correlation Coefficient of Security Factor, which has a p-value of 2.0692E-40, is lower than the alpha value, which was (0.05). However, the table's

multiple linear regression p-value is greater than 0.05, at 0.177. The fact that the inquiry rejected the null hypothesis demonstrates that these two variables are positively correlated. However, it has been demonstrated that City Campus students at University Malaysia Kelantan (UMK) do not consider security when deciding whether use or not the internet banking.

The most of respondents, according to Sardar (2016), consider that security became a big issue while purchasing things online. In addition, students raised concerns regarding the safety of digital payments, suggesting that security standards ought to be enhanced so that customers can use them with confidence once the connection between financial digital payments is established. Even yet, it is a minor problem because the consumer is already aware of the digital payment's security mechanism.

Ramos-de-Luna et al. (2016) had said in his research that respondents accept the security of digital payment because they were already using modern technologies. Security and privacy, according to Goh (2016), have a favourable influence on a customer while using online banking. Several technologies have been created to ensure the security of online transactions. For example, the most prevalent technique of employing digital certificates and firewalls to safeguard online transactions is browser extension 125-bit RSA encryption key technology. As a result, it is proved that this research is consistent with previous studies. The researchers believe that UMK City Campus students were unconcerned about security because they did not have a lot of money in their accounts. As a result, they are more worried about issues other than security.

### 5.3.3 SOCIAL INFLUENCE

The Pearson Value of the correlation coefficient for this factor was 3.1153E-37, which is below the alpha value (0.05), as shown in the table results of result 5.1. The multiple linear regression value was also less than 0.05, which is 7.2298E-10. Consequently, this study reveals that UMK City Campus students' adoption of online banking transactions is influenced by convenience and that acceptance and social influence are positively correlated.

According to previous research, there was no significant differences between social influence and comprehension of mobile payment services. According to Aydin & Burnaz (2016), the absence of assumed social influence is attributable to the small proportion of digital transaction system users who responded at the beginning of the life cycle. As a result, this study's findings are related with the previous one. Consequently, the researchers discovered that students at the UMK City Campus had little effect on those around them. According to pandemic Covid-19, which requires everybody to less each outside activity during the Movement Control Order (MCO), researchers believe individuals are more likely to conduct cashless payment transactions. All payments and transactions, including the purchasing of books and stationery for student use, are exclusively made online. As a result, societal factors have no effect on them.

## 5.4 Implication of Study

This study aim to understanding the factor that affecting the acceptance of online banking. There are various factor that actually affecting the acceptance. However, this research only focussing security, convenience and social influence factors. This study will provide some implication toward the industry and improve academic or theory aspects in educational institutions.

This research will give an impact in financial situation such as financial institution, banking institution and other funding institution. This research will give more understanding on the factor that affected the acceptance of online system which many financial institutions are trying to imply through their institution. There are no meaning to the innovation of technology if customers did not understand the concept that the institution tried to bring. This research also will help to improve the level of security in the online banking system. Security has been see as one of the aspect that give a huge impact in the selection of online payment method. Thus, an improvement of level of security must be done to gain the trust of the customers. Financial institutions also may affected to improve their marketing and advertising strategy by this research where it already shown that social influence give a huge impact in the acceptance of online banking among customers.

Other than that, there are implication to the academic institution. The academic institution will have more understanding to the online banking system which many financial institutions try to implement. This will help the academic institutions to produce more undergraduates that understand the innovation of the technology. Thus, this will increase the value of undergraduates for the industry. This research will also give the understanding to the academic institutions to find the alternative that will helps to increase the acceptance of online banking systems among customers. Thus, an online banking system which more customer-friendly system can be created.

**5.5 Limitation of The Study**

There are some limitations that has been found when running this research. One of the limitations that has been discovered is the meaning and understanding of online banking is not well-known by the students or respondents. Even the online banking

transactions has been use for several years, the understanding of using the transaction is very low in students respondents. This will impact to the inaccurate of data that has been collected. The inaccurate data also may be affected by several group of respondents that did not have the level of understanding to answer to questionnaire that has been posted. Students also did not give a full commitment in answering the questionnaire that has been given due to many reasons such as floods and other aspects. There are a lack of solid data in making this research because of the expanding of financial innovations. The researchers also did not have the opportunity to meet the respondents physically due to many reasons such as physical distancing, online learning and many more. The banking and financial institutions are one of the industry's that are expanding in the right way. There are many new innovations that has been adapt by banking and financial institution to match with the world wide technology innovation. This innovation has explore more area that involving the internet area which are completely different with the conventional way of business transaction. This event has made a confusion between some of the customers. Some of group of customers did not completely understand the concept of the innovation of the online banking system. This affect to the inaccurate of the answers from the respondents.

However, there are some recommendations that can be made in the future studies or research which has been found from this research. This research believe that they are others more crucial factors that affect the acceptance of online banking among students. This research recommend for the future research to understand more social aspect that are student or undergraduates are facing in order to accept the use of online banking transaction. This research believe they are others option that being offered to the students in the future.

Other than that, this research findings also recommended that for the future research to find more accurate data collection. The future research is recommended to find a face to face of data collection which help to identify the understanding of student in more detail aspects. This will help the future research to find a more accurate data. Thus, it will increase the quality of the research. In other words, interview method is one of the way to make sure the question that been asked to the respondents can be explained to make sure the respondent completely have the understanding that needed.

Lastly, this research findings recommended for the future research to increase the amount of sample size and the total population of the research. This aspect will help to produce a result of research that can represent the total population accurately. The more respondents that been collected will increase the probability to represent the total population of the research. Thus, this will increase the quality of the result which can help the society to understand more on the aspect of online banking acceptance among student and undergraduate students.

## 5.6 Recommendation For Future Studies

These are a few of the study's limitations that were identified. First, this study is only concentrates on the students at University Malaysia Kelantan City Campus. The researchers rush to gather the data from responders because they don't have enough to conduct interviews with respondent. Furthermore, researcher used Google forms to collect data via online questionnaires. Since not all respondents were devoted to and encouraged this study, the data collected from the respondents were inaccurate. The researcher had to gather additional respondents to finish the questionnaire because some respondents gave no response at all.

Additionally, the convenience, security, and social influence were the only three independent variables that were the subject of this study. The research's capacity to look into additional study aspects was constrained. Additionally, it happens when the sample size for this study is determined via convenience sampling. The sample's representations could not be eliminated by the researchers. This lack of control could lead to biased research samples and findings, which would restrict the study's capacity to be applied more broadly. In light of these considerations, the future researcher may think about employing a mixed technique approach to lessen the potential limitations of the study.

According to the findings of this study, as the researchers of this study, we have made the following recommendations for the future researcher to do more research related to this topic. To begin, the sample size in future research could be increased to emphasize the topic of the acceptance of online banking transaction. It is because of the respondents that has been use in this study were only from the UMK City Campus. For the suggestion, future researchers should broaden the sample size by conducting future studies on all three campuses of University Malaysia Kelantan, such as the Bachok Campus and the Jeli Campus.

In addition, the researcher offers various recommendations to enhance the study's findings even more. In order to gather data at a particular site, researchers must plan ahead and allow enough time. To assign a task and gather every sample respondent within a set timeframe, time management was important. The suitable respondent should then be chosen to complete the entire distributed questionnaire, it is the another advises from the researcher. this is because, suitable respondent may answer the question honestly and has enough time to read the passage correctly, which will provide researchers solid results. The respondent may be given a period of time by the researchers so that they can collect

their questionnaire responses outside of working hours. The focus of their responses will improve as a result.

To describe the inquiries in a questionnaire, future researchers should concentrate on techniques like the direct approach, which is the researcher have to go direct to the respondent and do a face-to-face procedure during data collecting. Respondents provided honest answers when the data was gathered in this technique. To enhance the study's findings, future researchers may need to take the suggestion into consideration to improve the result of the research.

## 5.7 Overall Conclusion of The Study

The Pearson Correlation Coefficient was used to ascertain the relationship between the dependent and the independent variables, and we also use multiple linear regressions to identify the factor of the acceptance of online banking transactions among the student at the University Malaysia Kelantan (UMK) City Campus.

According to the results of Pearson's Correlation Coefficient, only security are don't have a significant relationship with the factor of the acceptance of online banking transaction, whereas for the convenience, and social influence do have a relationship with and a direct influence on the factor of student acceptance of online banking transactions at University Malaysia Kelantan (UMK) City Campus. The results of multiple linear regression also revealed that convenience, security, and social influence indicate a significant relationship with the dependent variables.

In order to draw a conclusion from this study, it can be said that the results showed a relationship between the independent variable which is convenience, security, and

social influence and the dependent variable which is the acceptance of online banking transactions. Hence, we can see that the convenience had the highest value among the standardized coefficients B, and among the other independent variables, it had the most influence on people's willingness to accept online banking transactions, with social influence coming in second. Because security has the smallest coefficient, it contributes the least. It is clear that the convenience, security, and social influence independent variables in this study all have a strong correlation on the factor of the acceptance of the online banking transaction. As a result, the researchers hope that all of the data presented in this study will be useful for banks and policy experts as they update their information systems to big data and analytics in in order to better comprehend customer wants and deliver customers with the services they expect. we also hope that the general public will benefit from knowing more about the online banking services.

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**APPENDIX I**

## QUESTIONNAIRE

Questionaire link: https://forms.gle/uRkLQzmrtKzVJQou5



**FACTOR INFLUENCE THE ACCEPTANCE OF USING ONLINE BANKING AMONG UNDERGRADUATES OF UNIVERSITY MALAYSIA KELANTAN**

Dear respondents,

We are third year students from Bachelor of Business Administration (Islamic Banking and Finance) at University Malaysia Kelantan. We are conducting a final year project research entitled "Factor that Affecting the Acceptance of Using Online Banking among Undergraduates of University Malaysia Kelantan'. I request you to join my project by completing the following survey questionnaire through a google form. It may take around 3-5 minutes to complete the survey. The questions consist of 5 sections. Section A inquires demographic questions.Section B inquires about Acceptance of Using Online Banking questions. Section C inquires Convenience in Using Online Banking. Section D inquires the Security in Using Online Banking. Section E inquires Social Influence in Using Online Banking. However, we will use the research information for academic purposes only. Additionally, we will keep your responses anonymous and confidential. Your support towards my following research will help conduct the study ideally.

Thank you very much.

If you have any questions about the survey, please email us:

Sincerely,
MUHAMMAD FARIS BIN ANUAR (A19A0340)

MUHAMMAD HARITH AIMAN BIN AZLAN (A19A0346)
MUHAMMAD HIDAYAT BIN ABDUL RAZAK (A19A0349)
MUHAMMAD ILLIEYASS BIN MOHD NOR (A19A0350)

**Section A: Demographic**

1.Gender. (Kindly mark "√")

| |
|---|
| |
| |

Male

Female

2. Age. (Kindly mark "√")

| |
|---|
| |
| |
| |
| |
| |

18 - 20 years old

21- 23 years old

24 - 26 years old

27 - 30 years old

31 years old and above

3. Year of Study. (Kindly mark "√")

| |
|---|
| |
| |
| |
| |

Tahun 1

Tahun 2

Tahun 3

Tahun 4

4. Course of Study. (Kindly mark "√")

| |
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SAL

SAK

SAR

SAB
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SAP
SAW
SAH

**Section B**

**Instruction:** pleased respond to each question by circling your measurement using the scales given based on your tourist space while travelling to Bandar Hilir, Melaka.

| Uncertain | Strongly Disagree | Disagree | Agree | Strongly Agree |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

| Intention Using Online Banking | | | | | |
|---|---|---|---|---|---|
| I use internet banking often | 1 | 2 | 3 | 4 | 5 |

10

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| I use internet banking more frequently than classic banking services | 1 | 2 | 3 | 4 | 5 |
| I use internet banking as main way of using banking services | 1 | 2 | 3 | 4 | 5 |
| I think I made the correct decision to use online banking services | 1 | 2 | 3 | 4 | 5 |
| I prefer using online banking services instead of visiting branch for doing my transaction | 1 | 2 | 3 | 4 | 5 |
| I would use electronic banking services for my banking needs. | 1 | 2 | 3 | 4 | 5 |
| I would see myself using the electronic banking services for handling my banking transaction | 1 | 2 | 3 | 4 | 5 |
| The bank provides, through its website, Sufficient information about its services. | 1 | 2 | 3 | 4 | 5 |
| The bank's customer service staff provide a clear answer to all my inquiries. | 1 | 2 | 3 | 4 | 5 |
| The bank always gives me accurate notifications about my financial dealings. | 1 | 2 | 3 | 4 | 5 |
| I can benefit from the bank's E-services through its application on smartphones | 1 | 2 | 3 | 4 | 5 |
| I can complete the payment for purchases from global sites through a credit card and e-cash issued by the bank. | 1 | 2 | 3 | 4 | 5 |
| I can use ATMs to complete financial transactions in commercial complexes and public places. | 1 | 2 | 3 | 4 | 5 |

| | | | | | |
|---|---|---|---|---|---|
| I easily contact the bank's complaints handling systems. | 1 | 2 | 3 | 4 | 5 |
| I smoothly express to the bank the defects in its E-services | 1 | 2 | 3 | 4 | 5 |

## Section C

**Instruction:** pleased respond to each question by circling your measurement using the scales given based on your tourist space while travelling to Bandar Hilir, Melaka.

| Uncertain | Strongly Disagree | Disagree | Agree | Strongly Agree |
|---|---|---|---|---|
| **1** | **2** | **3** | **4** | **5** |

| Convenience | | | | | |
|---|---|---|---|---|---|
| I can avail online banking services anytime I want | 1 | 2 | 3 | 4 | 5 |
| I can avail online banking services wherever I am | 1 | 2 | 3 | 4 | 5 |
| The online banking is always accessible | 1 | 2 | 3 | 4 | 5 |
| It was easy to navigate my bank website | 1 | 2 | 3 | 4 | 5 |
| I could find what I wanted over bank website without having to look elsewhere | 1 | 2 | 3 | 4 | 5 |
| The bank website provides useful information | 1 | 2 | 3 | 4 | 5 |
| The online banking website provides detailed services specifications | 1 | 2 | 3 | 4 | 5 |
| Online banking provides sufficient information to identify different products | 1 | 2 | 3 | 4 | 5 |
| Bank website provides interactive interface by using icons, images, and moving pictures | 1 | 2 | 3 | 4 | 5 |
| I find it easy to complete my transaction with bank | 1 | 2 | 3 | 4 | 5 |

| | | | | | |
|---|---|---|---|---|---|
| branch | | | | | |
| I am able to avail service quickly with bank branch | 1 | 2 | 3 | 4 | 5 |
| It takes little effort to deal with this bank branch during availing banking services | 1 | 2 | 3 | 4 | 5 |
| I am able to get the benefits of this service from branch with little effort | 1 | 2 | 3 | 4 | 5 |
| The time required to receive the banking service from branch is reasonable | 1 | 2 | 3 | 4 | 5 |
| Banking products of this branch bank are easy to use | 1 | 2 | 3 | 4 | 5 |

## Section D

**Instruction:** pleased respond to each question by circling your measurement using the scales given based on your tourist space while travelling to Bandar Hilir, Melaka.

| Uncertain | Strongly Disagree | Disagree | Agree | Strongly Agree |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |

| **Security** | | | | | |
|---|---|---|---|---|---|
| I would feel secure sending sensitive information across the internet banking | 1 | 2 | 3 | 4 | 5 |
| The internet banking is a secure means through which to send sensitive information | 1 | 2 | 3 | 4 | 5 |
| I would feel totally safe providing sensitive information about myself over the internet banking | 1 | 2 | 3 | 4 | 5 |
| Overall, the internet banking is a safe place to transmit sensitive information | 1 | 2 | 3 | 4 | 5 |

| | | | | | |
|---|---|---|---|---|---|
| I believe that internet banking is able to conduct banking transactions securely | 1 | 2 | 3 | 4 | 5 |
| I believe that internet banking guarantees that all transactions have taken place | 1 | 2 | 3 | 4 | 5 |
| I believe that using internet banking is financially secure | 1 | 2 | 3 | 4 | 5 |
| Overall, I am not worried about the security aspects of internet banking | 1 | 2 | 3 | 4 | 5 |
| I think banks has mechanisms to ensure the safe transmission of its users' information | 1 | 2 | 3 | 4 | 5 |
| I think banks show great concern for the security of any transactions | 1 | 2 | 3 | 4 | 5 |
| I am sure that my financial data will not be intercepted by unauthorized third parties | 1 | 2 | 3 | 4 | 5 |
| I would feel secure sending sensitive information across the internet banking | 1 | 2 | 3 | 4 | 5 |
| The internet banking is a secure means through which to send sensitive information | 1 | 2 | 3 | 4 | 5 |
| I would feel totally safe providing sensitive information about myself over the internet banking | 1 | 2 | 3 | 4 | 5 |
| Overall, the internet banking is a safe place to transmit sensitive information | 1 | 2 | 3 | 4 | 5 |

**Section E**

**Instruction:** pleased respond to each question by circling your measurement using the scales given based on your tourist space while travelling to Bandar Hilir, Melaka.

| Uncertain | Strongly Disagree | Disagree | Agree | Strongly Agree |
|:---:|:---:|:---:|:---:|:---:|
| 1 | 2 | 3 | 4 | 5 |

| Social Influence | | | | | |
|---|:---:|:---:|:---:|:---:|:---:|
| My friends and family value the use of mobile banking. | 1 | 2 | 3 | 4 | 5 |
| The people that influence me use mobile banking. | 1 | 2 | 3 | 4 | 5 |
| I find mobile banking trendy. | 1 | 2 | 3 | 4 | 5 |
| The use of mobile banking gives me professional status. | 1 | 2 | 3 | 4 | 5 |
| People who are important to me suggest that I should use Mobile banking. | 1 | 2 | 3 | 4 | 5 |
| Acquainted people with me suggest that I should use Mobile banking. | 1 | 2 | 3 | 4 | 5 |
| People surrounding with me using Mobile Banking | 1 | 2 | 3 | 4 | 5 |
| People in my surroundings who use bank services have more prestige than those who do not. | 1 | 2 | 3 | 4 | 5 |
| People who influence my behavior think that I should use bank services. | 1 | 2 | 3 | 4 | 5 |
| People who are important to me think that I should use bank services. | 1 | 2 | 3 | 4 | 5 |
| Using banking services is a status symbol in my surroundings. | 1 | 2 | 3 | 4 | 5 |
| People who are important to me think that I should use electronic banking. | 1 | 2 | 3 | 4 | 5 |
| People who influence my behavior think that I should | 1 | 2 | 3 | 4 | 5 |

| | | | | | |
|---|---|---|---|---|---|
| use electronic banking. | | | | | |
| Use of electronic banking is a status symbol in our environment. | 1 | 2 | 3 | 4 | 5 |

**APPENDIX I**

**QUESTIONNAIRE**

Questionaire link: https://forms.gle/uRkLQzmrtKzVJQou5

**APPENDIX 2: EXAMPLE OF CAPTION SETTING**

**Table**

Table 2.1: Number of SME establishments by region

| Malaysian Region | State | Total SMEs | Percentage (%) |
|---|---|---|---|
| Northern Region | Perak | 75,140 | 8.3 |
| | Penang | 66,921 | 7.4 |
| | Kedah | 48,894 | 5.4 |
| | Perlis | 6,808 | 0.8 |
| East Coast Region | Kelantan | 46,618 | 5.1 |
| | Pahang | 37,573 | 4.1 |
| | Terengganu | 29,324 | 3.2 |
| Central Region | Selangor | 179,271 | 19.8 |
| | W. P. Kuala Lumpur | 133,703 | 14.7 |
| | W. P. Putrajaya | 1,236 | 0.1 |
| Southern Region | Johor | 98,190 | 10.8 |
| | Negeri Sembilan | 32,721 | 3.6 |
| | Melaka | 31,361 | 3.5 |
| East Malaysia | Sarawak | 61,036 | 6.7 |
| | Sabah | 55,702 | 6.2 |

| | | |
|---|---|---|
| W. P. Labuan | 2,567 | 0.3 |
| **TOTAL** | **907,065** | **100.0** |

Sources: Economic / SMEs Census, 2016 by Department of Statistics, Malaysia; SME Annual Report (2017/18, Appendix 1, Table 2, p.142). **Figure**
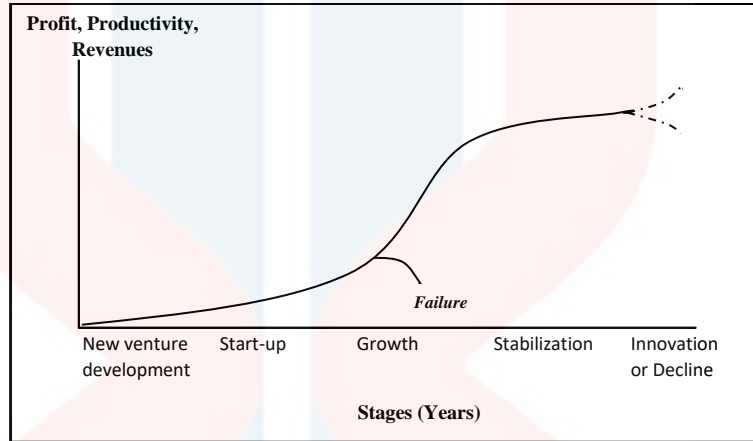


Source: Chandler (1962, p.5)

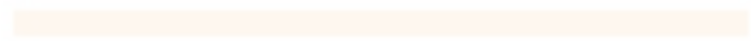Figure 2.1: Business Life Cycle

**Equation**

$$\sum_{i=n}^{n} A = 9$$

$$(3.2)$$

**THANK YOU.**