

Customer Acceptance of Internet Banking in Sri Lanka

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Technology affects the life of every individual at present age. Internet banking has also become one of the technologies which is getting recognition around the world. Internet banking plays a major role in banking sector. There are a lot of customers around the world who are adopting this technology very quickly but in developing countries like Sri Lanka the adoption ratio is very low. Another strategic challenge faced by the banks today is the growing and changing needs and anticipations of consumers with increased education levels and growing wealth. The current study examines the factors influencing the adoption of internet banking services in Sri Lanka. Primary data was collected from 202 respondents through a structured questionnaire. Regression analyses and descriptive statistic technique were used to study the relationship. The adoption/ non-adoption decision is highly influenced by factors namely Usefulness, Ease of use, Security and privacy, Trust. It was also revealed that age, gender and occupation are significantly related with internet banking adoption. Finally, this paper recommends that understanding the factors influencing the adoption of internet banking is very significant to the commercial banks and Bank managers can make use of this information to advance appropriate strategies to attract new customers to use Internet banking in future.

Keywords: Customer acceptance, Internet banking, Sri Lanka