

Impact of Subjective Norms on E-Banking Adoption: A Multivariate Analysis

D.A. Gayan Nayanajith¹, K.A. Damunupola²

Technological advancements positively affect economic progression and development of countries in the long run. One of the broadly studied areas of technological transformation is the retail financial services which includes consumer banking activities with reference to the wide-ranging service sector of the country. E-banking enables customers to experience a vast array of financial services instantly with any-time access to the particular user. Nevertheless, in practice; this phenomenon is dependent on the particular context. Primary objective of the study is to identify the significance of subjective norm (SN) towards user intentions and actions on adoption of e-banking (AoEB). Secondly, it is necessitated to identify the differences in between 3 SN groups (SN-friends, SN-family and control group-No SN) towards intentions and actions on AoEB. Sample was drawn from the students of Uwa Wellassa University (UWU) those who are using e-banking services. Initially, 400 questionnaires were distributed and 279 duly completed questionnaires were considered for the final data analysis. Conceptual model was formulated by referring to theory of reasoned action (TRA) and dimensions of the variables were measured by five-point Lickert scale. In analyzing data, MANOVA test was followed by ANOVA with contrast tests and discriminant function analysis. MANOVA test results indicated that SN can have a significant effect on AoEB and the significant univariate ANOVAs suggested that this may be in terms of either a combination or individual thoughts/behaviours. Furthermore, it was noted that friends SN is better at changing both actions and intentions on AoEB. Subsequently, observed that both the hypotheses have been supported by the empirical evidence. Accordingly, No SN group can be distinguished from the two groups using the variate that has opposite effects on intentions and actions on AoEB. Also, the friends SN and family SN groups can be distinguished by the variate that has similar effects on intentions and actions. Consequently, friends SN is better than both No SN and family SN, regardless of whether it's more important to consider intentions or actions. Empirical evidence contributes towards theoretical and practical perspectives given the particular context, method and usability of the results towards commercial banks, policy makers and e-banking system developers. As respondents were the students of the UWU, it could be possible to obtain different results had the study being conducted in another context as the respondents may not exactly replicate the whole Sri Lankan e-banking customers of the selected private commercial banks. Meanwhile, as there were restrictions due to time and other resources, future researches could be performed with improved representation of the entire population to validate the research findings in different country, cultural, social, industry and economic sector contexts by incorporating different models, perspectives and variables.

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¹ University of Kelaniya, Sri Lanka, dagnsrilanka@gmail.com

² Uwa Wellassa University, Sri Lanka