

Investigating Factors that Influence Customer Usage of Online Banking: With Special Reference to Undergraduates of Sri Lanka

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Abstract

In the present world, the technological revolution has given rise to new concepts and advanced methods across various fields. Online banking is one such concept that has emerged in the banking sector. While not entirely novel to Sri Lanka, the evolution of online banking in the country began in the late 1980s. Reflecting on this period, there appears to be a gradual surge in the adoption of online banking among customers. The COVID-19 pandemic has further fueled this trend, as the increased use of online platforms has contributed to a growth in online banking. Moreover, various factors influence the usage of online banking beyond the impact of the pandemic. This specific study has been conducted to examine the factors influencing the usage of online banking in Sri Lanka. Following the existing literature, four factors were identified for investigation: Perceived Usefulness, Security and Privacy, Ease of Use, and Trust in E-Bank Websites. The sample comprised 100 undergraduates in the Western province. The convenience sampling approach was used to select the sample. The study covered four government universities and three private universities in Sri Lanka. The research objectives were evaluated using quantitative methods. An online questionnaire was designed and distributed to gather the data. Frequency analysis, Descriptive statistics, and Correlation and regression analyses were conducted to gain insights and comprehend the data. The findings revealed a predominance of females, a diverse age range, and a high representation of individuals linked with government universities. The outcomes offered a comprehensive insight into the characteristics of variables, highlighting a notable level of engagement in online banking. According to the study, significant factors impacting online banking usage include perceived usefulness, security and privacy, and ease of use.

Keywords: Online Banking Usage, Perceived Usefulness, Security and Privacy, Ease of Use, Trust In E-bank Website