

FACTORS INFLUENCING THE USAGE LEVEL OF INTERNET
BANKING IN KURUNEGALA DISTRICT

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ABSTRACT

Information technology is fundamentally changing the banking industry worldwide. The advent of internet banking offers banking firms a new frontier of opportunities and challenges. An understanding of how demographic characteristics and consumer perceptions and attitudes towards internet banking influence the adoption of internet banking can allow banks to create solutions and plans to attract consumers to their internet banking services, thus enabling them to gain a greater share in the banking market. In this context, the research was carried out to identify the factors influencing the usage of internet banking in Kurunegala district.

The study was carried out with seven variables as perceived usefulness, perceived ease of use, perceived self-efficacy, relative advantage, perceived trust, perceived risk, awareness to measure the influencing factors of internet banking and two dimensions to measure the usage level of internet banking as satisfaction and intention. Convenient sampling method was used to collect the primary data from the respondent. Data was collected using a structured questionnaire which was distributed among 200 respondents including five commercial banks (Commercial, People's, BOC, Sampath and HNB) in Kurunegala district. The collected data was analyzed using descriptive statistics, correlation analysis, and regression analysis, cross tabulation, ANOVA and Independent sample t test.

Based on the findings of the study, it concluded that perceived usefulness, perceived ease of use, perceived self-efficacy, relative advantage, perceived trust and awareness are at high level and perceived risk is at moderate level toward the usage of internet banking among customers in Kurunegala district. And also usage level of internet banking service among customers in Kurunegala district is at high level. The study identified that the perceived self-efficacy, relative advantage, perceived trust and awareness of the internet banking significantly predicted the usage of internet banking. And also all these factors have positive effect on the usage of internet banking in Kurunegala district. There is no any variation in usage of internet banking services across the demographic factors such as gender, age, income level, education level and occupation. Further usage of internet banking services are not varying among banks in Kurunegala district.

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