FACTORS AFFECTING ADOPTION OF MOBILE BANKING TECHNOLOGY IN KENYA:
A Case of Bank Customers within Nakuru Municipality

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ABSTRACT

Banks in Kenya have implemented Mobile banking (M-banking) technology in order to provide convenient and affordable banking service. However, there is concern that their effort may not bring much result if the factors affecting adoption of M-banking technology are not established. This study therefore focused on determining the factors affecting adoption of M-banking technology in Nakuru Municipality by extending the renowned framework of Technology Acceptance Model (TAM). A cross-sectional survey design was employed. The population of the study was 163,200 bank customers from which a convenient sample of 399 customers was selected. 300 respondents returned their questionnaires. Data was analyzed using descriptive statistics and probit regression model. This study found that perceived usefulness had a positive impact on M-banking adoption while perceived risk was found to have a negative impact. The study recommends that perceived risk issues should be addressed by stakeholders in the industry for successful M-banking implementation.

Keywords: M-banking, Adoption, Technology Acceptance Model, Probit Regression
1.0 INTRODUCTION

1.1 Background Information

Technology is being used by businesses today to enhance growth and competitiveness (Anyasi and Otubu, 2009). Firms are developing new and innovative products to be able to maintain existing customers and to attract new markets. One such innovation is the introduction of M-banking technology in the banking sector. M-banking has changed the way banks perform their operations; this has led to the introduction of new products and services that are aimed at lowering transaction costs and reaching a larger number of customers (Mari, 2003; Anyasi and Otubu, 2009; Ayo, Adewoye and Oni, 2010). M-banking provides the potential of increasing efficiency of payments system and expanding access to formal financial services by those who presently lack it. At the same time, it could make banking more convenient and cheaper to those who already have bank accounts (Porteous, 2006). It is clear that M-banking technology will make Kenya realize its vision of ensuring high levels of savings to finance its overall investment needs (Kenya’s Vision 2030).

M-banking refers to the use of mobile telecommunications devices to offer banking services. For example, customers can use mobile phones or personal digital assistants (PDAs) to withdraw money from their bank accounts, check account balances, make payments, mobile phone top up and money transfers (Mari, 2003; Porteous, 2006; Porteous, 2007; Anyasi and Otubu, 2009; Maimbo, Strychacz, and Saranga, 2010; Aker and Mbiti, 2010; Saleem and Rashid, 2011; Porteous and Neville, 2006; Cheah, Teo, Sim, Oon and Tan, 2011).

Porteous (2006) argues that mobile payments (M-payments) is part of M-banking technology. M-payments are financial transactions undertaken using mobile devices such as mobile phones and PDAs. To improve productivity, many firms in Kenya have implemented M-payments. With M-payments, customers can use their mobile telecommunications devices to make payments for products or services, for example, paying for electricity bills. This application saves customers the time and cost it would have taken them to travel to the organizations to make payments. This system aims at reducing transaction costs and increasing the speed and reliability of transactions. Pankki, Jyrkonen, and Paunonen (2003) also argued that, with the implementation of electronic channels in the retail payments area, the use of paper-based payment instruments will decrease further in the future.

Nakuru Municipality covers an area that surrounds Nakuru town, the fourth largest town in Kenya. Nakuru town was founded in 1904 and is located 160km Northwest of Nairobi, the capital city of Kenya. It is situated at an altitude of 1,859m above sea level. The major economic sectors in Nakuru Municipality are commerce, industry, tourism, agriculture and tertiary services. Nakuru Municipality has a total of 25 commercial banks most of which were started a few years ago (Kibithe, 2012). Currently, Nakuru town is the fastest growing town in East and Central Africa. Banks are spreading their branch networks in Nakuru Municipality to take advantage of the rapid growth which offers a great potential for investments.

Although several banks in Kenya have implemented M-banking technology, there is little research that focuses on the factors affecting adoption of this technology by bank customers. Furthermore, numerous scholars in the developed countries found that M-banking adoption still remain at infancy stage (Cheah, Teo, et al., 2011). Therefore, this research aimed at identifying the factors affecting adoption of M-banking technology in Kenya by extending Technology Acceptance Model (TAM).

1.2 Statement of the Problem

The financial system is very important for economic development of a country. Kenya’s long-term plan for national transformation, Vision 2030, identifies it as one of six priority sectors under the economic pillar. For Kenyans to effectively access financial services,
several banks have implemented M-banking technology. For this reason most banks have heavily invested in mobile banking for among other reasons, to reach more customers, provide services anywhere anytime and reduce cost of providing services. Further, the Communications Commission of Kenya (CCK) through the implementation of “The Kenya Communication Act” has provided an environment that has seen reforms in the telecommunications sector. This has enabled mobile telephony to grow exponentially hence providing a basis for successful mobile banking (M-banking) technology. Despite this, there are still long queues in the banking halls implying that most customers do not use mobile banking. This could be attributed to a high proportion of the banked population who either don’t understand M-banking or have never heard about it (Porteous, 2007). In addition, he argues that banked people still have strong disapproving attitude, with around one in five people doubting its trustworthiness. Therefore, it is important to establish through research, the factors affecting M-banking adoption by bank customers in Kenya.

1.3 The purpose and objectives of the Study

The overall objective of the study was to determine factors affecting adoption of mobile banking technology in Kenya. This study was guided by the following specific objectives:

i. To establish the relationship between perceived usefulness (PU) and adoption of Mobile banking technology in Nakuru Municipality.

ii. To establish the relationship between perceived ease of use (PEOU) and adoption of Mobile banking technology in Nakuru Municipality.

iii. To establish the relationship between perceived risk (PR) and adoption of Mobile banking technology in Nakuru Municipality.

1.3.1 Research Hypotheses

The following hypotheses were derived from the objectives:

i. H0 1: There is no relationship between perceived usefulness (PU) and adoption of Mobile banking technology in Nakuru Municipality.

ii. H0 2: There is no relationship between perceived ease of use (PEOU) and adoption of Mobile banking technology in Nakuru Municipality.

iii. H0 3: There is no relationship between perceived risk (PR) and adoption of Mobile banking technology in Nakuru Municipality.

2.0 LITERATURE REVIEW

2.1 Background of M-Banking Technology

In the recent years banks have developed innovative products and offered a wider range of services in an effort to increase customer satisfaction and efficiency. Thus, banking services are being offered through electronic delivery channels. M-banking which provides banking services via mobile phones and personal digital assistants is among the newest services to be offered (Mari, 2003; Saleem and Rashid, 2011).

More recent developments in ICT have provided the opportunity for customers to access banking services without necessarily going to the bank branches. This technological development has intensified in recent years and has led to the reduction of financial institutions’ costs (Mari, 2003; Saleem and Rashid, 2011). M-Banking is a subset of electronic banking (Porteous, 2006; Porteous and Neville, 2006). This system “helps banks to increase speed, shorten processing periods, improve the flexibility of business transactions and reduce costs associated with having personnel serve customers physically” (Ayo, Adewoye and Oni, 2010).

The use of mobile phones has facilitated the expansion of markets, social business, and public services in both developing and developed countries (Spence and Smith, 2010). Lin (2011), claims that rapid advances in mobile technologies have made M-banking increasingly important in financial services. The use of M-banking offers a way of lowering the cost of moving money from place to place (Donner and Tellez, 2008; Anyasi and Otubu
At the same time it brings more users into contact with formal financial services (Anyasi and Otubu, 2009).

Porteous (2006) classified M-banking into two; firstly, transformational M-banking, which is the provision of banking services using a mobile phone to reach the unbanked population. Secondly, additive M-banking, in which the mobile phone is simply an additional channel that is used to provide banking services to those already banked.

Payments and account management products over mobile GSM phones as SMS service have been available in Finland since 1992. Majority of Finnish customers conduct their routine banking mainly via internet, thus, the number of bank branches have decreased significantly (Mari and Minna, 2004).

2.2 Technology Acceptance Model (TAM)

According to Davis (1989), TAM suggests that perceived usefulness (PU) and perceived ease of use (PEOU) are the two most important factors in explaining individual users’ adoption intentions and actual usage. Davis (1989) defines PU as the degree to which a person believes that using a particular system will enhance his or her job performance. Perceived Ease of Use refers to the degree to which the person believes that using the system will be free of effort. “TAM has been extensively tested and validated and is a widely accepted model, which can be modified or extended using other theories or constructs” (Masinge, 2010).

Masinge (2010) conducted a study on the factors influencing the adoption of mobile banking services at the bottom of the pyramid (BOP) in South Africa, and added perceived cost, trust and perceived risk constructs to TAM. In the study, the five facets of perceived risk included; security/privacy risk, performance risk, time/convenience risk, financial risk and social risk. The results of the study revealed that perceived usefulness (PU), perceived ease of use (PEOU), perceived cost, and customer's trust had a significant effect on the adoption of M-banking at the BOP while perceived risk (PR) was found to have no significant effect. According to Lee (2009), performance risk refers to the loss incurred by malfunctioning of mobile banking servers. Security/privacy risk refers to a potential loss due to fraud or a hacker compromising the security of a mobile banking user. Time risk refers to the loss of time and any inconvenience incurred due to the delays of receiving payments or the difficulty of navigation. Social risk refers to the possibility that using mobile banking may result in disapproval by one’s friends, family, or work group. Financial risk refers to the potential for monetary loss due to transaction errors or bank account misuse.

Cheah, et al. (2011) conducted an empirical analysis on factors affecting Malaysian Mobile banking adoption. In the study, factors such as perceived usefulness (PU), perceived ease of use (PEOU), relative advantages (RA) and personal innovativeness (PI) were found to be positively related to the intention to adopt mobile banking services. However, social norms (SN) were the only factors found to be insignificant. Perceived risks (PR) were found to be negatively associated with the mobile banking adoption.

2.3 Factors Affecting Adoption of M-Banking Technology

Mari (2003) conducted a study on adoption of M-banking in Finland. The results from the study indicated that certain attributes of M-banking innovation drive its usage. The attributes include; relative advantage, compatibility and communication. The investigation of complexity and risk of using M-banking yielded no support as being barriers to adoption. The findings also revealed that, technology perceptions and certain demographical variables of the customers have a significant impact on adoption. In a different study titled, “An empirical investigation of mobile banking adoption”, the results indicate that perceived relative advantage, ease of use, compatibility, competence and integrity significantly influence attitude. The attitude then leads to behavioral intention to adopt M-banking (Lin, 2011).
In 2006, CGAP conducted a survey of 515 people in South Africa, in areas served by WIZZIT. The study which included the people with both mobile phones and bank accounts found that, those who took up WIZZIT’s M-banking service on average had a higher income, higher education levels and were more often formally employed, urban and older. Additionally, the early adopters were customers with more sophisticated banking requirements. CGAP also estimates that of about one million M-banking customers in South Africa, fewer than 100,000 thousand falls below South Africa’s poverty line, did not have a bank account earlier, and now use M-banking for more than payments or transfers (Ivatury and Mas, 2008). A research conducted in South Africa highlights the need to improve customer awareness of branchless banking and to educate customers about it (Ivatury and Mas, 2008).

Porteous (2007) found that, most unbanked people were unbanked primarily for “economic reasons”, which relate in part to their work status and in part to their perception that formal employment was a prerequisite for opening a bank account. He also found that, young people tend not to have bank accounts and see less need for them. The same study also revealed that M-banking users in general have a higher income, are more likely to live in urban areas and in formal employment, as well as slightly older than banked people with mobile phones. Porteous argues that, the early adopter profile appear to correlate more with the desired functionality than with factors which imply risk tolerance such as age. In addition, a high proportion of the banked population either don’t understand M-banking or have never heard about it. Despite these high levels of ignorance about M-banking, banked people still have strong disapproving attitude, with around one in five people doubting its trustworthiness.

Aker and Mbiti (2010) conducted a study to examine the evolution of mobile phone coverage and adoption in sub-Saharan Africa over the past decade. The findings revealed that, the first people to adopt the mobile phones were primarily male, educated, young, wealthy and urban populations. This was due to the relatively high costs of handsets and services. By the year 2009, mobile phone was owned by even the poor, the elderly and rural populations, in part facilitated by the introduction of low-priced handsets and lower denomination mobile top up cards. The study revealed that, on average, M-pesa users are wealthier, better educated, urban populations and are “already banked”. The findings also show that most of the M-pesa transfers are occurring within urban areas.

2.7 Conceptual Framework

This framework, displayed in Fig1, illustrates the interaction between the independent variables and the dependent variable. It shows the relationship between perceived usefulness (PU), perceived ease of use (PEOU), perceived risk (PR) and adoption of M-banking technology.

3.0 METHODOLOGY

A cross sectional survey design was used in this study. Surveys are efficient in obtaining information and feelings. Survey is used to collect information from a group of people in order to describe some aspects or characteristics such as abilities opinions attitudes, beliefs or knowledge.

3.1 Population

The population of study consisted of 163 200 customers belonging to banks which are classified as Larger Peer Group, according to Central Bank of Kenya (2011) classification as well as banks that managed to record profitability of over five Million Kenya Shillings in December 2011. Lastly, the study targeted the banks that have already implemented M-banking technology. These banks have a customer base of over 95% of the banking population.
3.2 Sample and sample procedures

The study focused on bank customers within Nakuru Municipality. Five commercial banks were purposively selected for this study, namely; Kenya Commercial Bank (KCB) Ltd, Equity Bank Ltd, and Barclays Bank of Kenya Ltd, Standard Chartered Bank Ltd, and Co-operative Bank of Kenya Ltd. The formula by (Israel, 1992) resulted in a sample size of 399 bank customers. The sample was selected from each of these banks in proportion to the number of their customers. That is the sample was stratified by banks.

3.3 Instrumentation

Structured questionnaires were used to obtain data from the respondents. The questionnaires consisted of closed-ended questions. To ensure success, the questionnaires were short and simple, with questions moving from easy to more difficult ones (Kothari 2004, p. 103). The questions captured data in line with the study objectives.

3.4 Validity and Reliability of the instruments

The questionnaire was pilot tested to ensure that the items in the questionnaire are clear and appropriate. Borg and Gall (1996) recommend Pre-testing of research instruments before use in research. A pilot study for a sample of 10 bank customers, who worked in the banks selected form branches outside the study area, was carried out to test the reliability of the instruments. The information collected was used to further improve on the questionnaires.

3.5 Data Collection Procedures

A letter of approval was obtained from Kabarak University Business School. The researcher used questionnaires to collect primary data from the respondents. A five point likert scale was used, where 1=strongly Disagree (SD), 2=Disagree (D), 3 = Not Sure (NS), 4 = Agree (A), and 5=strongly Agree (SA) was used to measure the respondents’ view concerning statements on perceived usefulness, perceived ease of use and perceived risk items. The questionnaires were administered by the researcher with the help of two research assistants to bank customers of KCB, Barclays, Equity, Co-operative and Standard Chartered banks in Nakuru Municipality. The research assistants had completed their undergraduate degree. They were trained by the researcher on how to administer the questionnaires to the target group. The responses were used to address the study objectives.

3.6 Data Analysis

The data was analyzed using both descriptive and inferential statistics. Measures of central tendency we used for descriptive statistics. Since the dependent variable “Adoption of Mobile banking technology” is a binary response (Yes or No), the most appropriate model for analyzing the data was the Probit regression model. The researcher used Statistical Package for Social Sciences (SPSS) Version 17.0 and STRATA software to analyze data. Results were presented in form of tables, figures, charts and graphs.

4.0 RESULTS AND DISCUSSIONS

4.1 Data details

Out of a sample of 399 bank customers selected for the study, 300 respondents returned their questionnaires, representing a response rate of 75.19 %. To measure the adequacy of the model, both the p - value and Pseudo R- squared were used. Further, a diagnostic check was done on the regression model.
4.2 Perceived Usefulness (PU)

The respondents’ response on Perceived usefulness of mobile banking is shown in Table 1. From the table, it is evident that the respondents generally agreed (mean=4.12, mode=4.0, median=4) that mobile banking enables them to accomplish their tasks more quickly, it is generally advantageous (mean=4.15, mode=4.0, median=4), it makes it easier for them to carry out their tasks and it is useful (mean=4.227, mode=4.0, median=4).

4.3 Perceived Ease of Use (PEOU)

The results of descriptive statistics on perceived ease of use are displayed in Table 2. From Table 2, the respondents generally agreed that: learning to use mobile banking would be easy (mean=3.96, median=4, mode=4), interactions with mobile banking does not require mental effort (mean=3.72, median=4, mode=4) and that it is easy to mobile banking to accomplish banking tasks (mean=4, median=4, mode=4). However, respondents were not sure whether mobile banking requires training (mean=3.11, median=3, mode=4) or not.

4.4 Perceived Risk

From Table 3, it is clear that the respondents generally agreed (mean=3.6833, mode=4.00 and median=4.00) that mobile banking services may not perform well because of network problems. Indeed, network problem is a common occurrence that interrupts mobile transactions. However, they generally disagreed with the following statements:

- It would take them a lot of time to learn mobile banking (mean=2.053, median=2.00 and mode=2.00).
- When using mobile banking, they would waste a lot of time fixing payment errors (mean=2.59, median=2.00 and mode=2.00).

For the following statements the respondents were not sure or agreed with the following items:

- Mobile services may not perform well and process payments incorrectly (mean=2.7, median=3.00 and mode=2.00).
- Afraid to lose money using mobile banking due to wrong input of information (mean=3.34, median=4.00 and mode=4.00).
- When transaction error occurs, I worry that banks may not compensate me(mean=3.35, median=4.00 and mode=4.00).
- Transaction fee is expensive (mean=3.13, median=3.00 and mode=4.00).

4.5 Probit Regression analysis

A probit regression model was fitted with perceived usefulness (PU), perceived ease of use (PEOU), and perceived risk (PR) as independent variables and adoption of Mobile banking technology as dependent variable. The results obtained are presented Table 4. From Table 4, it is evident the significant variables that influence mobile adoption include Perceived Usefulness (p = 0.0001 < 0.0005) and PR (p = 0.028). However, PR significantly influence mobile adoption negatively (coefficient = -0.2373). This needs to be investigated. However, Perceived Ease of Use (p = 0.64 > 0.005) is not a significant factors as far as Mobile banking adoption is concerned. These results are not wholly similar to the findings of other researchers. Cheah, et al. (2011) found that perceived usefulness (PU), perceived ease of use (PEOU), relative advantages (RA) and personal innovativeness (PI) were found to be positively related to the intention to adopt mobile banking services. However, (PR) was negatively associated with the mobile banking adoption. However, the finding on perceived ease of use (PEOU) contradicts the findings in this study.
4.6 Test hypotheses

In this study we had three hypotheses $H_{01}$, $H_{02}$ and $H_{03}$ to test. The results of Table 4 were used to test three hypotheses. These are discussed below.

4.6.1 First hypothesis

$H_{01}$: There is no relationship between perceived usefulness (PU) and adoption of Mobile banking technology.

We fail to accept (p=0.0001<0.05) the null hypothesis $H_{01}$. Hence PU has a significantly relationship with adoption of mobile banking. Further the coefficient of PU is (0.715 which is positive; implying that PU has positively affects adoption of M-banking.

4.6.2 Second hypothesis

$H_{02}$: There is no relationship between perceived ease of use (PEOU) and adoption of Mobile banking technology.

Since the p-value for PEOU is $p=0.64>0.05$, we fail to reject the null hypothesis $H_{02}$. This implies that there is no relationship between perceived ease of use (PEOU) and adoption of Mobile banking technology.

4.6.3 Third hypothesis

$H_{03}$: There is no relationship between perceived risk (PR) and adoption of Mobile banking technology.

Since the p-value for PR is $p=0.028<0.05$, we fail to accept the null hypothesis $H_{03}$. We conclude that there is a significant relationship between perceived risk (PR) and adoption of Mobile banking technology. This result confirms the findings of Cheah (2011), who conducted a study on the factors influencing the adoption of mobile banking services at the bottom of the pyramid (BOP) in South Africa and found that perceived risk (PR) had a significant effect on the adoption of M-banking by the BOP.

5.0 CONCLUSION

In this study we aimed at achieving three objectives. First was to establish the relationship between perceived usefulness (PU) and adoption of Mobile banking technology. The second objective was to establish the relationship between perceived ease of use (PEOU) and adoption of Mobile banking technology. The third was to establish the relationship between perceived risk and adoption of Mobile banking technology. This study used descriptive statistics and probit regression model to analyze the research data.

Regarding the first objective, results from the descriptive analysis show that majority of respondents agreed with the statement that mobile banking is useful. This is confirmed by the results from regression analysis that revealed that PU had a positive significant influence on adoption of mobile banking. The findings of this study are almost consistent with the findings of previous research conducted in other countries including South Africa and Malaysia.

Regarding the second objective, the findings indicate that there is no significant relationship between perceived ease of use and adoption of Mobile banking technology. Descriptive statistics results showed that majority of customers agreed that mobile banking is easy to use.

For the third objective, the findings revealed that perceived risk inverse significant influence on adoption of Mobile banking technology. The respondents also agreed with the statements that mobile banking lacks security, is expensive and takes a lot of time to learn.
From the results, it can be concluded that PU is the most significant factor affecting adoption of M-banking technology. It is therefore, important for M-banking service providers to emphasize the benefits of M-banking technology to bank customers. It can also be concluded that PR hinders majority of bank customers from adopting it. M-banking service providers and stakeholders involved in this area should ensure security measures are enforced.

5.1 Recommendations

In view of the findings from this study, the following recommendations were made:

1) It is important for customers to be trained on the requirements of mobile banking since customers are not quite sure of whether it requires training or not.

2) There is need to address security issues associated with Mobile banking technology so as to ensure success of Mobile banking technology. More specifically, the issues that need to be addressed concerning perceived risk include performance of mobile banking because of network problems.

3) The banks should explain to customers how they can get back their cash in case of they lose money while using M-banking technology due to careless mistakes such as wrong input of account number or amount of money. They expressed fear that they would not get compensation from banks when errors occur.

4) Customers need to be trained on how they can send sensitive information across mobile banking technology.

5) Majority of respondents agreed that transaction fees are expensive. Thus ways can be developed to lower the transaction fees to make M-banking attractive.

REFERENCES


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LIST OF FIGURES

Figure 1: Conceptual framework based on TAM with Perceived Risk
Source; Masinge (2010).

Independent Variables

- Perceived Usefulness (PU)
  - Faster transactions
  - Relative advantage
  - Easy to carry out tasks

- Perceived Ease of Use (PEOU)
  - Easy to learn
  - Easy to use
  - Minimal mental effort required

- Perceived Risk (PR)
  - Performance Risk
  - Financial Risk
  - Security Risk
  - Time Risk

Dependent Variables

- Adoption of Mobile Banking Technology
  - Yes
  - No

Intervening Variables

- Customer awareness
- Education of customers
**LIST OF TABLES**

Table 1: Descriptive Statistics on Perceived Usefulness

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using mobile banking would enable me accomplish my work more quickly</td>
<td>4.12</td>
<td>4.00</td>
<td>4</td>
<td>.976</td>
</tr>
<tr>
<td>Mobile banking would make it easier to carry out tasks</td>
<td>4.07</td>
<td>4.00</td>
<td>4</td>
<td>.958</td>
</tr>
<tr>
<td>Mobile banking is useful</td>
<td>4.227</td>
<td>4.000</td>
<td>4</td>
<td>.8628</td>
</tr>
<tr>
<td>Using mobile banking is advantageous</td>
<td>4.15</td>
<td>4.00</td>
<td>4</td>
<td>.959</td>
</tr>
</tbody>
</table>

Source: Research data, 2012

Table 2: Descriptive Statistics on Perceived Ease of Use (PEOU)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning to use mobile banking would be easy</td>
<td>3.96</td>
<td>4.00</td>
<td>4</td>
<td>.806</td>
</tr>
<tr>
<td>Interaction with mobile banking does not require a lot of mental effort</td>
<td>3.72</td>
<td>4.00</td>
<td>4</td>
<td>.992</td>
</tr>
<tr>
<td>It is easy to use mobile banking to accomplish my banking tasks</td>
<td>4.00</td>
<td>4.00</td>
<td>4</td>
<td>.890</td>
</tr>
<tr>
<td>Using mobile banking does not require training</td>
<td>3.11</td>
<td>3.00</td>
<td>4</td>
<td>1.266</td>
</tr>
</tbody>
</table>

Source: Research data, 2012

Table 3: Summary Statistics on Perceived Risk (PR)

<table>
<thead>
<tr>
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<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile banking services may not perform well because of network problems</td>
<td>3.6833</td>
<td>4.0000</td>
<td>4.00</td>
<td>1.01645</td>
</tr>
<tr>
<td>Mobile services may not perform well and process payments incorrectly</td>
<td>2.7800</td>
<td>3.0000</td>
<td>2.00</td>
<td>1.12360</td>
</tr>
<tr>
<td>Afraid to lose money using mobile banking due to wrong input of information</td>
<td>3.3433</td>
<td>4.0000</td>
<td>4.00</td>
<td>1.25860</td>
</tr>
<tr>
<td>When transaction errors occur, I worry that banks may not compensate me</td>
<td>3.3500</td>
<td>4.0000</td>
<td>4.00</td>
<td>1.21618</td>
</tr>
<tr>
<td>The transaction fee is expensive</td>
<td>3.1000</td>
<td>3.0000</td>
<td>4.00</td>
<td>1.14646</td>
</tr>
<tr>
<td>When using mobile banking I would waste time fixing payment errors (loss of convenience)</td>
<td>2.5900</td>
<td>2.0000</td>
<td>2.00</td>
<td>1.13705</td>
</tr>
</tbody>
</table>
It would take me a lot of time to learn mobile banking 2.0533 2.0000 2.00 .96276
I would not feel totally safe providing privacy information over mobile banking 3.1500 3.5000 4.00 1.30378
I am worried about mobile banking because other people may be able to access my account 2.8833 3.0000 2.00 1.33002
I would not feel secure sending sensitive information across mobile banking 3.1767 4.0000 4.00 1.33092

Source; Research data, 2012

| M-Banking   | Coef.    | Std. Err. | Z        | P>|z|   | [95% Conf. Interval] |
|-------------|----------|-----------|----------|-------|---------------------|
| PU          | .7154419 | .1324355  | 5.40     | 0.000 | .455873             |
| PEOU        | -.0566073| .1216598  | -.47     | 0.642 | -.2950561           |
| PR          | -.2373737| .108283   | -.219    | 0.028 | -.4496045           |
| _cons       | -2.408188| .7397281  | -3.26    | 0.001 | -3.858028           |

Prob > chi2 = 0.0000
Pseudo R2 = 0.1265
Source; Research data, 2012