



Internet Banking in Pakistan Conceptual Framework Based Study

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Abstract

The goal of this study is to find out what Pakistani customers think about using the Internet for banking. This study used Pakistani bank customers to show a different way to use the Technology Acceptance Model (TAM). Even though Pakistan is a developing country, it has made Internet banking a top priority as a way to get money to people. The results of this study show that customers will use the Internet for banking more often if they think it will help them. The way people think about how useful Internet banking functions are is a big part of how easy they think Internet banking is and how much they use it.

Keywords: Technology Acceptance Model; Internet Banking; Pakistan

Introduction

The field of financial services has been changing since the Internet became a place where financial services could be done, and transactions could be made. But using the internet in this way can be hard for many people because they have to accept new technologies in order to use internet banking. This kind of acceptance is hard because it involves changes in the way people act. On the other hand, technology can help improve and make it easier for people to understand how exchange works [1].

It is clear that the Internet has become a major source of distribution for companies in the financial services industry, such as the banking industry. But it's important to know how the Internet has become more important for customers to do banking transactions. This study is based on an analysis of how customers in Pakistan use the internet for banking transactions and how they feel about it. The current research has shown that any medication can be incorporated into the technology acceptance model and used by banking customers in Pakistan. Pakistan is a developing country, but it has put a lot of effort into making Internet banking

a keyway to send and receive money. The results of this study will show that customers are more likely to use online banking when they think it will help them. How useful people think online banking is will have a big impact on how easy and useful it will be in the future. Because of this, customers are more likely to trust internet banking in general. Just putting together well-organized and easy-to-use online banking can be seen as useful. So, how useful customers think online banking is is an important factor in how much they use it. The researchers think that putting in advanced levels of technology needs to be well organized so that people can focus on how useful the facilities are that are put into the technology. So, it's important for Pakistan to know the value of internet banking and let its customers know how important it is to use internet banking to do banking transactions [2].

Literature Review

Internet banking (IB) is a new way to do business online [3]. It lets customers do things like move money, pay bills, buy financial instruments, etc., that have to do with money. This system uses an electronic delivery method, and money is moved directly from one

account to another without a third party or middleman (A,2016) Customers can also get access to their accounts and general information about bank products and services through Internet banking. Traditional banking tasks, like opening an account, can also be done through an electronic banking system [2].

This technology gives you ways to do banking that aren't as common as they used to be. Customers get banking products and services in a way that is more convenient and costs less. It also offers higher levels of service. Internet banking is a tool that researchers, academics, policymakers, and institutions should pay extra attention to. Because this system has a lot of potential, a lot of research needs to be done on how people respond to it.

In 2011, Ahmad and Al-Zu'bi conducted an empirical study to find out what made customers happy. The main goal of this study was to find out what happens when customers are happy. To reach this goal, a research survey was given to 179 customers who were chosen at random. The main idea behind the study was that the way e-banking works (accessibility, convenience, security, privacy, content, design, speed, fees and charges) affects customer satisfaction and, in turn, the results. The results showed that all of the functionality factors did lead to customer satisfaction, and that this was a good thing. So, this research gives real-world evidence of the benefits of (IB) by looking at how some of its feature's work: (a) it's easy to use; (b) it's convenient; (c) it reduces privacy concerns to some extent; and (d) it lets you act quickly [4].

In 2003, Gerrard Philip did research on how many Singaporeans were using Internet banking. The main goal of the study was to look at the factors that affect how many people adopt (IB). This study looked at both people who use Internet banking and people who don't use Internet banking. The results showed that people who used Internet banking thought it was easy, not too complicated, and compatible [5].

Agarwal., *et al.* (2009) did a survey in India to find out what factors affect how customers think about and feel about e-banking and how happy they are with it. The survey was based on questionnaires that were sent out to people in northern India who used e-banking. Focused group discussions were also held, which helped a lot with figuring out the most important things about how customers use e-banking. Pilot tests of the questionnaires were part of the study. These tests helped find and get rid of questions that were confusing or unnecessary. The results showed

that there are a lot of things that affect how customers use online banking services. Participants' answers showed that one problem with internet banking was that it took a long time to complete transactions, which was a problem for many customers. Customers also didn't like the way they could file complaints through online banking [6].

Conceptual framework of research

The goal of the study is to find out how people in Pakistan use internet banking and what they think about it. So, the proposed research will look at all the factors that affect whether or not customers in Pakistan use internet banking. The research is based on the ideas presented by [7] in their "Technology Acceptance Model (TAM)" theory. In this conceptual model, Davis suggested that a system has certain capabilities and features that simulate user motivation and push the user to actually adapt to the system.

Behavioral intentions (BI)

In TAM [8] the model for the technology acceptance and intention of a user's intention to purchase a system, a product or any other thing is thought a consideration variable as system acceptance also defined by Swanson (1988) [9]. Information research literature contains a key variable called system usage to study the technology acceptance of a particular person. In the absence of objective usage measures then self-supported usage measurements are used in the field of IS research. Behavior Intention is normally used to estimate the usage or predict the IS/IT acceptance [10]. The user intention has been used as a dependent variable in this research. The current study can be considered the relevant and adjacent to the various available research [8,11,12].

Perceived ease of use (PEOU)

The definition of PEOU according to Davis., *et al.* (1989) is "the degree to which the prospective user expects the target system to be free of effort. Since people use Internet banking services, PEOU talks about how customers might think IB is easy to use or clear. TAM theory says that people are more likely to use IB services that make their lives easier and less stressful the more they do so. This very fact has been the subject of a lot of research in the past, which put a lot of weight on how important PEOU is.

Perceived usefulness (PU)

It is the understanding of a person when an individual trust himself that a specific system or technology may increase the level

of performance [13]. Perceived usefulness is an important part of how students use the Internet at public universities, and it also has an effect on their educational and professional environments.

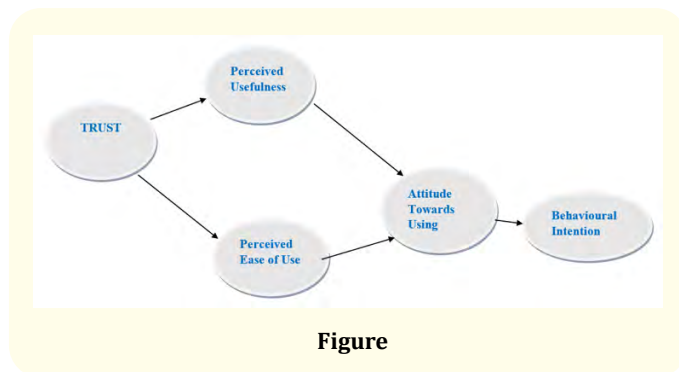
Attitude towards using (AUT)

Ndubisi and Sinti published a research paper in 2006 that was based on a research framework that linked attitude constructs to the use of internet banking. In this study, the attitude constructs were based on customers’ banking needs, as well as compatibility, complexity, trialability, and risk. Online questionnaires were used for survey purpose. The main results of this study showed that customers’ attitudes have a big impact on whether or not they decide to use internet banking. Jain and Sareen (2014) found a number of factors that affect how a customer feels. These factors were how people felt about technical infrastructure, how they felt about technology, and how they felt about risk [14,15].

Trust (TR)

Perceived trust is when a customer is willing to use internet banking and do transactions online because they believe the bank will do everything it needs to do to avoid any problems [16]. Suh and Han (2002) looked at how trust affects customers’ willingness to use online banking [17]. The investigation was done by getting information from 845 cases on the Internet to see how people use Internet banks. The result showed that trust has a big effect on whether or not people use Internet banking. In line with the results of the first study, Lallmahamood did another study in Malaysia in 1970 [18]. The results of this study showed that Malaysians have trouble using internet banking because they worry about security and privacy. Nar., et al. (2010) looked into the factors that affected the use of internet banking and found that security and reliability were two of the most important ones. In a study done in Kuala Lumpur, Sok Foon and Chan Yin Fah [19] found the same thing.

Model



Figure

Conclusion

The researchers might use the proposed approach to build a data set that is validated for internet banking customers. The methodology would aid in the measurement and benchmarking of internet banking customer satisfaction levels around the world. In this model Behavioral Intention is dependent Variable and Attitude, Perceived Usefulness, Perceived Ease of Use are independent variables. The trust is external variable as suggested by Davis in his research that researcher will include external variable according to his or her research. Trust is the main variable to measure the trust of customer in internet banking of Pakistan.

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