



UNDERPINNING DETERMINANTS OF CONSUMER'S INTENTION TO
ADOPT ELECTRONIC BANKING: A DEVELOPING COUNTRY'S
PERSPECTIVE

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Abstract

The objective of this research is to elucidate the relation, role and effect of determinants of electronic banking adoption and human behaviour. This paper seeks to endorse the determinants; counter-conformity motivation, website social feature, ease of use and e-customer service, in relation to the Social Cognitive Theory, which accounts for the behaviour of humans. The model is tested on 267 valid participants, comprising of bank customers in Botswana using a structured questionnaire. A confirmatory factor analysis, structural equation modeling were employed in this analysis. Findings suggest that mainly counter-conformity has positive significant impact on the intention to adopt e-banking services, shadowed by e-customer service and website social feature respectively. Ease of use revealed non signifi-

cance to intentions to adopt e-banking. In this study the significance, suggestions on theory recommendations and future research direction was reflected.

Key Words – Finance, Banking, Electronic Banking, Social Cognitive Theory, Counter-Conformity Motivation, Social Feature, Consumer Behaviour

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Introduction

Banks have found the necessity to explore and have come up with ways to increase the selection of services presented to the customers and escalate their dependence on technology (Al-Smadi & Al-Wabel, 2011). According to the researchers' awareness, few studies have explored the inference of counter-conformity motivation and website social feature in understanding customers' intention to adopt electronic banking. The theory of SCT has also been minimally used to reconnoitre the adoption of electronic banking services. A simple instruction of SCT suggests that behaviour is controlled by the individual through the cognitive progressions, and by external social circumstances

in the environment (Cooper & Lu, 2016). The objective of this study is to offer an unconventional model that authenticates the robustness state of the behaviour of humans linked with electronic banking adoption intentions. The structure of the research entails the literature review relating to SCT and all variables and hypothesis contracted. Secondly the explanation on methodology, then analysis and results. Following is the research implication and discussion and finally the limitations and recommendations of the research. The hypothetical model of this research is based on the SCT model which according to (Bandura, 1989) is amongst paramount theories for understanding human behaviour. This research pursues to examine the conceptual model in Figure 1.

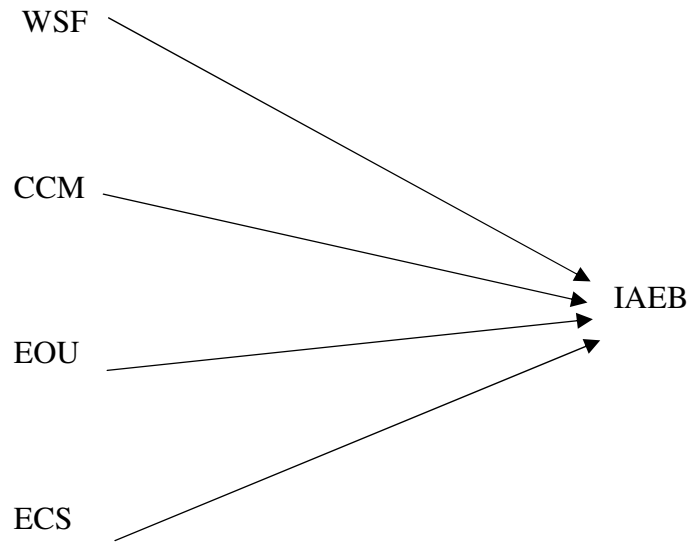


Figure 1. Conceptual Model

Note: WSF: Website social feature; CCM: Counter-conformity motivation; EOU: Ease of use; ECS: electronic customer service; IAEB: Intention to adopt electronic banking

Literature Review and Hypothesis Development

Website social feature (WSF)

A website should be visually luring, elegant, and have a professional interface so as to appropriately represent the company, products, and services (Gao & Bai, 2014). Websites directly provides hedonic experiences through audio-visual content or economic motivations as observed in the assessment of loyalty market (Huotari & Hamari, 2017; Rodrigues,

Oliveira & Costa, 2016). Certain discoveries have suggested that website sociability have prospects of escalating a pool on a website and edifying to the experience a customer has in a shopping environment (Sorooshian, Salami, Salehi, Nia & Asfaranjan, 2013). We hypothesize that;

H1: Website social variable has a positive relationship with consumers' intention to adopt electronic banking

Counter-Conformity Motivation (CCM)

CCM indicates the consumption and adoption of an inventive, unusual and unique, services, products and styles with the quest for social status and ensure dissimilarity to others (Tian, Bearden and Hunter, 2001). Decisions made to purchase on the internet is linked to their longing to be unique, posits (Parsons, Ballantine, Ali & Grey, 2014). An individual is motivated by the desire to be exceptional from the crowd and have an extraordinary identity throughout the decision making process (Arbore et al., 2014). Hence the hypothesis;

H2: Counter-conformity motivation has a positive relationship with customer's intention to adopt electronic banking

Ease of Use (EOU)

Ease of use is explained as the extent to which a consumer believes that using an information system ought to be effortless (Davis, 1989). A meta-analysis conducted by Dwivedi, Rana, Chen and Williams (2011) on the UTAUT discov-

ered potent evidence suggesting ease of use to be an underpinning factor in the adoption of technology. In accordance, Riffai, Grant and Edgar (2012), EOU envisages the intention to adopt electronic banking; in the perspective of developing nations, we suppose that the simpler the tasks to be executed are, the more it would motivate the clients to easily adopt to electronic banking. We then hypothesise that:

H3: Ease of use has a positive relationship with customer's intention to adopt electronic banking.

E-Customer Service (ECS)

E-customer service tends to be a crucial part for organization's success in doing business online therefore, extension of service to customers online could serve as a competitive edge. Asdullah & Yazdifar, (2016) and Khaitbaeva, Al-Subaiey, & Enyinda, (2014) asserts that myriad past research have showed "convenience" as the paramount factor that may lead customers to adopt electronic banking services, where the bank services can be ac-

cessible 24/7. Avkiran (1999) contends that an electronic banking platform where clientele is welcomed and offered assistance by staff to perform transactions has a possibility of impacting electronic banking adoption and essentially provoke a loyalty in a relationship. Hence we hypothesize that:

H4: E-customer service has a positive relationship with customers' intention to adopt electronic banking

Methodology

Participants were bank customers from selected main banks in Botswana. 267 valid participants were used in concluding the final analysis based on a cross sectional survey. Persons in the city were recognized suitable as they were believed to be tech know-how, and was centred on bank young customers which is consistent with related studies conducted by Hernandez, Jimenez and Martín (2011). More female participants with (54%), and males (46%), mostly participants were ranging

20-30 years while (36%) was of 31-40 years range. The ones 41-50 years were only (18%). Majority (54%) have been in banking from 1-9 years while (33%) for 10-19 years and over 20 years were (13%).

Measures

The measuring instruments for the hypothesis were adapted from prior research. The objects of their origins are CCM which used scale of Arbore et al. (2014), WSF derived from Park and Kim, (2014) while EOU was adapted from Martins et al, (2014), and finally ECS adapted scale of Avkiran, (1999). The objects were measured using a 5 Linkert scale that is; from strongly disagree (1) to strongly agree (5). In accordance with Bandura (1989) concerning SCT model, personal and environmental and behaviour elements are main constituents in figuring out human behaviour.

Analysis and Results

Reliability and Validity measures

Table 1. Confirmatory Factor Analysis for Hypothesized Model

Construct	Estimate	t-value	Source
Website Social Feature			
Overall social feature		Fixed	Park and Kim, (2014)
Social aspects important	.827	16.552	
Chatting enrich ebanking	.926	19.838	
Increase participation	.437	23.538	
Counter-Conformity motivation			
Interesting products for distinctive image		Fixed	Arbore et al, (2014),
Special products for uniqueness	1.082	17.576	
New brands to add to uniqueness	1.039	15.496	
Unusual personal image	.519	13.800	
Ease of Use			
It will not be time consuming		Fixed	Martins et al, (2014),
Information found easy	.799	18.099	
Easy to learn to use ebanking	.680	15.649	
Interaction clean and understandable	.790	19.144	
E-Customer Service			
Would like online service		Fixed	Avkiran, (1999).
Easy access to staff online	.813	18.484	
Staff service online	.708	16.743	
Welcome in the website	.819	20.641	
Intention to Adopt E-banking			
I plan to use e-banking		Fixed	Hanafizadeth et al. (2014)
I predict to use e-banking	.659	18.473	

Construct	Estimate	t-value	Source
Website Social Feature			
I intend to use e-banking	.848	21.483	

Table 2. Summary of Average Variance Extracted, Composite Reliability and Correlation

Variables	AVE	CR	α	Correlations							M	SD
				1	2	3	4	5	6			
1 WSF	.218	.935	.889	(1)							2.6948	.91355
2 CCM	.313	.897	.882	.176	(1)						1.9167	.76847
3 EOU	.285	.909	.906	-.028	.074	(1)					2.6470	.91596
4 ECS	.262	.918	.915	-.004	-.038	-.111	(1)				2.6470	.91596
6 IAEB	.211	.918	.907	.175	.277	.016	.168	.063	(1)		2.7878	.93831

Note: α = Cronbach Alpha, M = Mean; SD = Standard Deviation

A confirmatory factor analysis was conducted to measure sufficiency of these items for the purpose of assessing validity and reliability using Amos 23. The indices showed a very good outcome and a model fit according to (Bagozzi & Yi, 2012), the results adequately showed fit; χ^2/df (346.029/215) = 1.609, $p < .001$ GFI = .901, TLI = .967, CFI = .972, IFI = .972, RMSEA = .048.). Model-fit indices for

the CFA model also apply to the measurement model.

All indicator loadings as shown in Table 2, were all above threshold of 0.7, as suggested by (Bagozzi et al, 2012; Hair, Black, Babin, Anderson & Tatham, (2009); Kline, (2006). They are all statistically significant. Table 3 also shows the correlation matrix of constructs, indicating discriminant validity. Thus, it presented

that all factors were dissimilar from one another. The outcome supported that the research instrument had acceptable construct validity Chin, (1998).

The initial structural model was confirmed adequate as all model-fit indices satisfied the set criteria; χ^2/df

(231.637/143) = 1.620, $p < .001$, GFI = .919, TLI = .972, CFI = .977, IFI = .977, RMSEA = .048. The second model as shown in Figure 2 is the final structural model with all significant latent variable with the exception of ease of use. Website social feature described significantly the

Table 3. Path Coefficients for Predictor Variables in Structural Model 1.

H#	Structural Path	β	S.E.	t-value	p-value
H4	IAE <-- ECS	.185	.065	2.864	.004
H3	IAE <-- EOU	.022	.066	.328	.743
H2	IAE <-- CCM	.348	.088	3.968	***
H1	IAE <-- WSF	.128	.061	2.103	.035

Note: *** $p < .001$, Significance $p < .05$

deviation in the intention to adopt electronic banking ($\beta = .128$, $p < .05$) ascertaining hypothesis (H1) is supported. Counter-conformity motivation relationship with electronic banking adoption intentions was also significant ($\beta = .348$, $p < .001$) (see Table3). Hypothesis (H2) was supported herewith. Contradictory, ease of use' relationship with intentions to adopt

electronic banking was not significant ($\beta = 0.22$, $p = .743$) and hypothesis (H3) was not supported. Relationship between e-customer service and intention to adopt electronic banking was significant ($\beta = .185$, $p < 0.001$), this outcome backed up hypothesis (H4). (See Table2). The initial structural model was revised by removing the non-significant path, EOU<-->IAEB. Model-fit indices for the revised structural

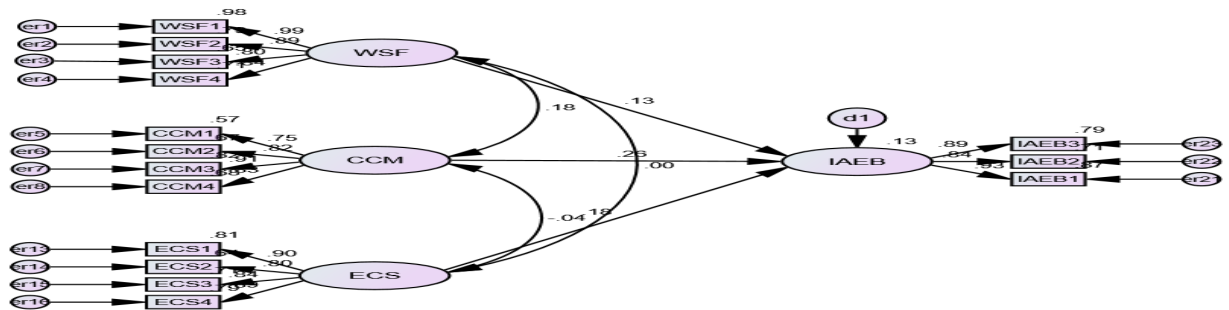
model was confirmed adequate at; χ^2/df (170.022/85) = 2, GFI = .925, TLI = .966, CFI = .972, IFI = .973, RMSEA = .061 and R2 .13. (See Figure 2).

Discussion

It was stated previously that, to examine the relationship hypotheses, SEM was employed. Abbasi et al., (2011) and

Martins et al., (2014) confirm the finding that website social feature to have a positive significance with electronic banking intention to adopt. Due to its interactivity landscape the electronic banking platform has the ability to facilitate dialogues between customers. A customer is therefore highly likely to adopt electronic banking when that social aspect is enhanced through technological innovation.

Figure 2. - Final Significant Structural Model



CCM has the ability to positively and significantly impact relationship with consumers' intentions to adopt e-banking. Simply, persons with the quest for uniqueness and are driven by persuasion to stand

out from the rest tend to believe the online system more. This outcome is in line with similar studies conducted by Arbore, Soscia and Bagozzi (2014). The prominence of ease of use as a vital determinant

to the intention to adopt electronic banking has been denoted by some researchers (Chau & Ngai, 2010; Giovanis et al., 2012). Conflicting discovery is that no significance existed between electronic banking adoption intentions and ease of use. Likewise, this outcome confirms with the discoveries of Erickson et al. (2005) who posited that no significance exists between adoption intentions of electronic banking and easiness of use. This result could be for the reason that the participants are technologically savvy about the usage of internet hence do not have the perception that there is too much of a distinction in electronic banking.

Analysis, also showed that e-customer service signifies a pronounced part in the intentions of customers to adopt electronic banking ($\beta = .185, p < 0.001$). Bank customers have discovered e-customer service to be imperative in luring customers' intentions to electronic banking adoption. Allen (2000) established a discovery suggesting that a significant number of internet traders neglect transactions due to frustrations for unavailability

of back up support provision by internet retailers.

It is therefore suggested internet social environment as persuading to a customers' behaviour 'intention (Raza & Standing, 2010). Several scholars contend that usage of mobile phone in youth through which they connect with one another is common and it enhances their individual confidence (Ruleman, 2012; Xie, Zhao, Xie & Lei, 2016). Majority of emerging countries like Botswana access internet mostly by mobile phones. Indicating the importance of banks, corporate web designers and e-commerce organizations to propose an integration as they transact business on the internet. In circumstances where the chat variables are present there are restrictions to collaborate between consumers and the one that offers service. Banks ought to ponder on offering consumers service on the internet the same way it is done in real time. This research has some restrictions, nevertheless, does not suggest the findings to be invalid. Contrariwise, it is the authentic way to use that can season the effectiveness of banks.

This research didn't consider the moderating and or mediating functions on the determinants impacting a consumers' intention to adopt e-banking and suggests the latter on future research.

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