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## **Exploring the effective factor on internet banking adaptation and customer satisfaction and their consequences**

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### **ABSTRACT**

The rapid growth and popularity of the Internet in providing products and services through this channel create opportunities for organizations, especially the banks. Using web technology and the internet, Internet banking enables customers to carry out financial activities in a virtual environment. With the expansion of Internet services, factors affecting the acceptance and use of Internet services on behalf of clients should be considered. For success, banks need to know what part of their customers use the Internet to do their banking operations and what causes this type of service to be satisfactory for them, which brings about mouth advertising for the banks. This study tries to focus on both aspects of this issue, and with a comprehensive review of previous studies, it tries to present a developed conceptual model of the factors affecting the consequences of the adoption of Internet banking (antecedents) and online banking adoption consequences and results (outcomes) and to examine them to identify the antecedents and consequences. Thus, the real question this research tries to answer is what are the antecedents and consequences of internet banking?

**Keywords:** Banking, Internet

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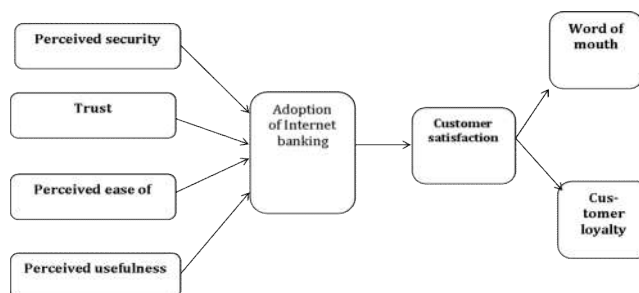
### **INTRODUCTION**

One of the industries that have always had a never-ending competition is the banking industry. From the past to now, first, the banks have turned to use systems like computer, and then they have inclined to use electronic ATM and other POS devices. They even went a step beyond and launched large-scale electronic banking. A great wave of Internet banking has launched recently where customers can do most of their banking at home, and there is not only any need to refer to your bank, but also there is no need to go to the ATM and can have many services including bill payments and transfer of funds via the Internet [1-5]. Using Internet banking is a turning point in the banking industry, so it should be investigated what factors can affect acceptance of online banking and in the event of online banking adoption, what the consequences of this acceptance would be.

### **RESEARCH HYPOTHESIS**

1. Perceived security affects the adoption of Internet banking.
2. Trust affects the adoption of Internet banking.
3. Perceived ease of use affects the adoption of Internet banking.

### **Conceptual model**



**Conceptual model shape**

### The population and sampling

The population of this study includes the customers using Internet banking services in Ahvaz. In this study, since the number of bank customers is unlimited, Morgan table for unlimited population is used, and a sample of at least 384 people is predicted.

### Testing the hypotheses

**Table 4.6: The results of testing the hypotheses**

Hypotheses	Path coefficient ( $\beta$ )	Absolute value of t-statistic	The coefficient of determination $r^2$	Hypothesis result
Hypothesis 1	0.022	0.217	0.596	Rejected
Hypothesis 2	0.538	6.349		Confirmed
Hypothesis 3	0.166	2.069		Confirmed

#### Testing the first hypothesis

Since the t-statistics related to the first hypothesis (0.217) in Table 4.6 is within the range of -1.96 to +1.96, the null hypothesis is confirmed at 95% confidence level, and hypothesis one (claim) is rejected. Thus, the hypothesis is rejected, and at the 95% confidence level, one cannot claim the effect of perceived security on adoption of Internet banking.

#### Testing the second hypothesis

Since the t-statistics related to the second hypothesis (6.349) in Table 4.6 is outside the range of -1.96 to +1.96, the null hypothesis is rejected at 95% confidence level, and hypothesis one (claim) is confirmed. According to path coefficient (0.538), it is clear that the impact of trust on internet banking adoption is positive, so the hypothesis is confirmed, and this would mean a significant positive impact of trust on the adoption of Internet banking.

#### Testing the third hypothesis

Hypothesis: perceived ease of use has a significant effect on the adoption of Internet banking.

H0: Perceived ease of use does not have a significant effect on the adoption of Internet banking

H1: Perceived ease of use has a significant effect on the adoption of Internet banking (claim).

Since the t-statistics related to the third hypothesis (2.069) in Table 4.6 is outside the range of -1.96 to +1.96, the null hypothesis is rejected at 95% confidence level, and hypothesis one (claim) is confirmed. According to path coefficient (0.166), it is clear that the impact of ease of use on internet banking adoption is positive, so the hypothesis is confirmed, and this would mean a significant positive impact of ease of use on the adoption of Internet banking.

#### The results of the testing the hypotheses

The first hypothesis examines the effect of perceived security on Internet banking adoption. The results of the analysis of research data suggest that perceived security has no significant effect of online banking with 95% level of confidence, and this hypothesis was not confirmed. Accordingly, at 95% level of confidence, one cannot claim the effect of perceived security on the adoption of Internet banking.

The second hypothesis explores the impact of trust on the internet banking adoption. The results of the analysis of the research data show that trust has a significant positive effect on online banking with 95% level of confidence, the relationship between two variables is linear and direct, and thus the hypothesis is confirmed. Accordingly, it can be concluded that the more trust customers have in online banking and its mechanisms, the more likely it is that they accept this type of banking and adopt it instead of visiting traditional bank branches [6-8].

The third hypothesis examines the effect of perceived ease of use on the internet banking adoption. The results of the analysis of the research data show that perceived ease of use has a significant positive effect on online banking with 95% level of confidence, the relationship between two variables is linear and direct, and thus the hypothesis is confirmed. Accordingly, it can be concluded that as the customers can use online banking easier and with less complexity, it is more likely that they accept this type of banking and adopt it instead of visiting traditional bank branches.

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