FACTORS INFLUENCING THE ADOPTION OF INTERNET BANKING IN PUBLIC AND PRIVATE SECTOR BANKING IN CHENNAI: A SEM APPROACH

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ABSTRACT

Internet banking has emerged as one of the most profitable E-commerce applications over the last decade. Although several prior research projects have focused on the factors that impact on the adoption of information technology or Internet, there is limited empirical work which simultaneously captures the factors such as perceived usefulness, perceived ease of use, self efficacy, relative advantage, compatibility, trial ability, observability, intention to use and actual use on adoption of internet banking to propose a theoretical model to explain customers’ intention to use internet banking using SEM in AMOS. SEM analysis was performed to examine the composite reliability, convergent validity and goodness of fit of measurement models. The revised structural model demonstrates significant and positive direct relationships between seven exogenous variables (Independent variables) and two endogenous variables (Dependent variables) such as intention to use and actual use.

KEY WORDS: TAM, IDT, internet banking and SEM.