

# **A COMPARATIVE ANALYSIS OF INTERNET BANKING IN MALAYSIA AND THAILAND**

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## **ABSTRACT**

The purpose of this paper is to compare the internet banking system in Malaysia and Thailand. Using comparison as the theoretical base, secondary data were used to determine the differences between both countries with respect to Internet banking. Analysis of the data indicates that both nations are dissimilar in providing basic services offered by their commercial banks. Belief on lack of effort on educating the consumers toward internet banking further affected the usability of internet banking in both countries. This study hopes to contribute to the literature on internet banking in Malaysia and Thailand.

Keywords: Thailand, Malaysia, Internet Banking, Comparative

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## I. INTRODUCTION

It is now widely accepted that the information technology revolution will have a profound effect on the conduct of ‘how business will be done’ as we move towards the new millennium. One of the most important developments, in this respect, has been the explosion of Internet banking activity on the Internet. With connectivity growing at an average of 10 per cent per month, Internet proof to offer commercial business with more opportunities. A recent study by IBM predicted 500 million active users by the year 2000 (Financial Times, 1996 as cited in Hamill, 1997). Furthermore, the conservative estimates suggest 200-300 million users by the turn of the century (Hamill, 1997). The Internet can no longer be considered a “fad” or the preserve of “techies” and “computer nerds”. Commercial uses of the Net have become the fastest growing part of the World Wide Web (WWW). As far as Internet banking is concerned, banking institutions in both countries notably in Malaysia and Thailand will be able to increase their competitiveness since Internet banking can be a powerful source of competitive advantage in penetrating more profitable consumers.

Inevitably, Internet banking will continue to revolutionize the current traditional banking industry and offers more opportunity to meet better consumer services through enhanced interaction, data mining and customization in the Internet banking services.

First introduced in the early 1980s (Kalakota and Whinston, 1997), online banking provides its consumers with an application software program that operates on personal computer (PC) which can be dialed into the bank via a modem, telephone line and operated the programs remotely on the consumer PC. Information technology (IT) was primarily employed to automate the back-office (core process and support process) of banks in 1960s. Nonetheless, enhanced technology was deployed to extend the back-office to the front office (integrated system). This extension helps to enable the banking industry to offer their services via the Internet.

With respect to internet banking, a common confusion exists between the term of online banking, Internet banking as well as PC banking. Online banking is another term used for Internet banking. Both share the similar meaning. Internet banking or online banking is defined as the use of Internet as a remote delivery channel of banking system services via the WWW. This system enable customers to access their accounts and general information of bank products and services 24 hours a day and 7 days a week through PC or other intelligent device using web browser software, such as Netscape Navigator or Microsoft internet Explorer. On the other hand, PC banking is defined as a home banking whereby consumers supplied with a financial software package on disks, allowing consumers to fill in details offline and then to send them into the bank over the bank’s private network. Unlike PC banking, Internet banking or online banking does not require proprietary software or access to a private network. Internet banking

allows consumers the ability to perform common banking transactions over the internet, at anywhere and anytime at consumers' freedom.

Currently, there are three (3) basic kinds of Internet banking services being employed in the marketplace, respectively the informational, communicative and transactional. Internet banking allows customer to have direct access to their financial information and undertake financial transactions without the hassle of going to the bank. ACNielsen (2001) found that Internet banking is expanding in many Asian countries including South Korea, Hong Kong, Singapore, China and Taiwan. Although still at developing stage, Malaysia and Thailand have successfully followed worldwide trends in implementing self-service technology via the Internet.

The main purpose of this study is to compare the Internet banking in Malaysia and Thailand. Besides analyzing the availability of the Internet banking basic services and the differences of the features, the paper will also delineate problems that facing the institution in both countries. In the following, an overview of Internet banking in both countries is presented, followed by a discussion on the methodology employed in this study. Section IV will present the analysis of this study. Finally, the paper closes with a conclusion.

## **II. AN OVERVIEW OF INTERNET BANKING**

### ***Internet banking in Malaysia***

Ironically, electronic revolution in Malaysian banking has already started since 1970s (Pang, 1995). Nonetheless, the visible form of electronic innovation was also the mere introduction of Automated Teller Machine (ATM). Rapid innovation in the telecommunications and information technology has been the pillar in enabling banks offerings their services through PC banking. Competitiveness in the industry hence has resulted in Malaysian Government to structure a legal framework for bank to provide Internet Banking services.

Bank Negara Malaysia (BNM) or Central Bank of Malaysia decided to give the much-awaited approval for domestic banks to leap into the Cyber Wagon on 1<sup>st</sup> June 2000. Effectively from June 1<sup>st</sup>, local domestic banks were allowed to offer full range of products and services over the Internet (BNM, 2000). Malayan Banking Berhad (Maybank) became the first bank to offer Internet banking services, followed by Hong Leong Bank and the trend then followed by the others. Meanwhile, the locally incorporated foreign owned banks were only allowed to operate Internet Banking after January 1<sup>st</sup>, 2002. Presently, only bank licensed under the Banking and Financial Institution Act 1989 (BAFIA) and Islamic Banking Act 1983 are allowed to offer Internet banking services in Malaysia. To

date, there are 13 commercial banks (Including Islamic bank) out of 25 bank institutions in Malaysia offering Internet banking services--- (inclusive of 9 local banks and 4 foreign banks).

**TABLE 1: BANKS OFFERING INTERNET BANKING SERVICES IN MALAYSIA**

<b>LOCAL BANKS</b>
1. Alliance Bank Malaysia Berhad
2. Am Bank (M) Berhad
3. Bumiputra Commerce Bank Berhad
4. Bank Islam Malaysia Berhad
5. Hong Leong Bank
6. Malayan Banking Berhad
7. Public Bank Berhad
8. RHB Bank Berhad
9. Southern Bank Berhad
<b>FOREIGN BANKS</b>
1. Citibank Berhad
2. HSBC Bank Malaysia Berhad
3. OCBC Bank (Malaysia) Berhad
4. United Overseas Bank (M) Berhad

*Source: Bank Negara Malaysia Website.*

### ***Internet banking in Thailand***

The Internet in Thailand was introduced in 1991 through academic and research application. According to The National Electronics and Computer Technology Center (NECTEC), Internet was introduced commercially in 1995 with the formation of the Nation's First Internet Service Provider (NECTEC, available at: <http://www.nectec.or.th>). Internet banking services were first used in 1999 by the Siam Commercial Bank PLC (SCB).

Asian recession in 1997 and the failing of Thai Baht causing Bank of Thailand (BOT) to intervene in Thai financial market by forcing companies and several Thai banks merge with foreign ownership bank (BOT, 2003). The

increase of bank's capital and technology advancement used by foreign bank helps to improve and encourage Thai banks to focus on the automated processing and transaction in order to increase efficiency and reduce costs (Chudasri, 2002). This situation led to the aggressive competition in the banking market and as a consequence, most commercial bank in Thailand have launched their own website to offer online service and begin to use the Internet as a new distribution channel in their belief that the future of banking service lies in electronic banking (Boonruang, 2000). Being aware of the importance of electronic transactions in the future economic development of the country, commercial banks in Thailand have been allowed since 2000 to provide transaction online as same as the service offer in traditional bank service.

To date, there are 16 commercial banks out of 34 commercial bank institutions in Thailand offering Internet banking services. Out of it, 11 were locals and 5 foreign banks.

**TABLE 2: BANKS OFFERING INTERNET BANKING SERVICES IN THAILAND**

<b>LOCAL BANKS</b>
1. Bangkok Bank
2. Bank of Ayudhya
3. Bank Thai
4. Krung Thai Bank
5. Kasikorn Bank
6. Siam Commercial Bank
7. Siam City Bank
8. United Overseas Bank (Thai)
9. Thai Military Bank
10. Thanachart Bank
11. Tisco Bank
<b>FOREIGN BANKS</b>
1. Bank Of America
2. Citibank
3. HSBC
4. RHB Bank Berhad
5. The Bank Of Nova Scotia

*Source: Bank of Thailand Website.*

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### III. METHODOLOGY

#### *Sample*

This study is the result of qualitative research using comparative and analytical methods. The comparative research was conducted in two ways: Firstly, the comparison is carried out by investigating the availability of basic services of Internet banking in Malaysia and Thailand. Secondly, the comparison is also carried out by investigating the different features offered by banking institutions in Malaysia and Thailand. For that purpose, reviews of website from selected banks are conducted.

In order to satisfy the objective of this study, only 5 banks from each country are investigated. In Malaysia Maybank, Hong Leong Bank, Rashid Hussain Bank, Am Bank berhad and Public Bank Berhad are chosen. The reasons of choosing these banks are twofold. First, they offer comprehensive internet banking. Secondly, these banks are domestic locals bank and known as core banks. The website for the banks are investigated in order to get their Internet banking services.

On the other hand, in Thailand, Krung Thai Bank, Bank of Ayudhya, Siam Commercial Bank, Kasikorn Bank and Bangkok Bank are chosen in this study. The reasons of choosing these banks are based on their commitment to provide a comprehensive Internet banking. Similar to the selected banks in Malaysia, these banks are also core banks for banking industry in Thailand.

#### *Data collection*

A content analysis is conducted for the selected bank from 22 June 2006 – 1 December 2006. From the raw data received on 1 December 2006, a further discussion is held to extract the differences exist on Internet banking in Malaysia and Thailand. The process was only completed in 5 January 2007.

#### IV. ANALYSIS

##### *The availability of basic services of Internet banking in Malaysia and Thailand*

The primary factor determining the level of demand for Internet banking will be ‘connectivity’--the number of people connected to the Internet. According to the 11<sup>th</sup> Malaysia Internet Survey conducted by ACNielsen (2001), Internet banking is one of the most popular services utilized by Malaysian surfers. As end of December 2005, total number of user was estimated at 10.4 million people—with 67 % (6,968,000) using it for banking purposes. The amount is estimated to reach 11.4 by the end of 2006. Meanwhile, 37 % or (2,974,800) out of the total user (8.4 million) in Thailand are identified to somewhat involve in internet banking. (NECTEC, available at: <http://www.nectec.or.th>).

**TABLE 3: TYPES OF SERVICES OFFERED BY BANKS IN MALAYSIA AND THAILAND**

	INTERNET BANKING SERVICES AND FEATURES	AVAILABILITY									
		BANKS IN MALAYSIA					BANKS IN THAILAND				
		Malayan Bank Berhad	Hong Leong Bank	Rashid Hussain bank	Am Bank Berhad	Public Bank Berhad	Bangkok Bank	Kasikorn Bank	Siam Commercial Bank	Bank of Ayudhya	Krung Thai Bank
1	Check your balances and statements online	a	a	a	a	a	a	a	a	a	a
2	Fund transfers	a	a	a	a	a	a	a	a	a	a
3	Bill payment	a	a	a	a	a	a	a	a	a	a
4	Manage savings and current account	a	a	a	a	a	a	a	a	a	a
5	Card service	a	a	a	a	a	a	a	a	a	a
6	Order cheque and books request	a	a	x	a	a	x	x	a	x	x
7	Request for stop cheque payments	a	a	a	x	a	x	x	a	x	x
8	Fixed deposit placement	a	a	x	a	a	x	x	a	a	x
9	Requesting the bank statement	a	a	x	a	a	a	x	a	x	x

\*a – service offered (available)

\*\*x – service not offered

Table 3 shows nine (9) of basic services commonly offered by Internet banking institution. Respectively, (1) *View statement and account balances*, (2) *Fund transfers*, (3) *Bill payment*, (4) *Manage savings and current account*, (5) *Card service*, (6) *Order cheque and books request*, (7) *Stopping cheque*, (8) *Fixed deposit placement* and (9) *Requesting the bank statement* (Banking Info, available at: <http://www.bankinginfo.com.my>).

The results indicate that both banks located in Malaysia and Thailand are currently offering the same standard of services, which refer to service located at # (1) until # (5). Nonetheless, all the banks in Malaysia are currently offering service # (6) *Order cheques and books request* except Rashid Hussain bank (RHB). Whilst for Thailand, Siam Commercial Bank is believed to be the only banking institution currently offering the service for their customers. Siam Commercial Bank still stood to be the only bank in Thailand offering the next service, which is # (7) *Stopping cheque*. While for Malaysia, AM Bank Berhad were the only bank identified not offering the service.

There are four different banks from Malaysia known to be offering the service # (8) *Fixed deposit placements*-- Malayan Bank Berhad, Hong Leong Bank, Am Bank Berhad and Public Bank Berhad. In comparison, only two banks from Thailand identified to be offering the same service-- Siam Commercial Bank and Bank of Ayudhya. Finally, Rashid Hussain bank, Kasikorn Bank, Bank of Ayudhya and Krung Thai Bank were among the banks listed not offering service # (9) *Requesting for the bank statements*.

Interestingly, as the Table 3 shown, some of the banks are already thrusting forward in providing the best banking via the internet. For Malaysia, Malayan Bank Berhad, Hong Leong Bank and Public Bank Berhad are looking bullish on their approach on internet banking. While in Thailand, Siam Commercial Bank would likely to be hailed as the internet banking champion—offering all services listed by the researcher.



*The different features offered by banks in Malaysia and Thailand*

TABLE 4: THE AVAILABILITY OF INTERNET BANKING FEATURES

INTERNET BANKING SERVICES AND FEATURES		AVAILABILITY									
		BANKS IN MALAYSIA					BANKS IN THAILAND				
		Malayan Bank Berhad	Hong Leong Bank	Rashid Hussain bank	Am Bank Berhad	Public Bank Berhad	Bangkok Bank	Kasikorn Bank	Siam Commercial Bank	Bank of Ayudhya	Krung Thai Bank
<b>EASE OF USE (INFORMATIONAL)</b>											
1	<i>Language Option</i>	x	x	x	x	x	a	a	a	a	a
2	Online banking demo	a	a	a	a	a	a	a	a	a	a
3	Comprehensive FAQ	a	a	a	a	a	a	a	a	a	a
4	Online transaction hours	a	a	a	a	a	a	a	a	a	a
<b>TEXTURES (TRANSACTIONAL)</b>											
5	Transfer funds between accounts at different branch	a	a	a	a	a	a	a	a	a	a
6	International funds transfer	a	x	a	x	x	a	a	a	x	x
7	Transfer funds to third party account	a	a	a	a	a	a	a	a	a	a
8	Bill payment	a	a	a	a	a	a	a	a	a	a
9	Order cheque and book request	a	a	x	a	a	x	x	a	x	x
10	Manage savings and current account	a	a	a	a	a	a	a	a	a	a
11	Apply for loan and mortgages	a	a	a	a	a	x	x	a	x	x
12	Able to repay loan and mortgages	a	a	a	a	a	x	x	a	x	x
13	View statement and account balances	a	a	a	a	a	a	a	a	a	a
14	Request for bank statement	a	a	x	a	a	a	x	a	x	x
15	Fixed deposit placement	a	a	x	a	a	x	x	a	a	x
16	Stop cheque	a	a	a	a	a	a	a	a	a	a
17	Standing order or direct debit	x	x	a	a	x	x	x	a	a	x
18	Apply for credit and debit card	a	a	a	x	a	x	x	x	x	x
19	Credit and debit card payment	a	a	a	a	a	a	a	a	a	a
20	Historical records	a	x	x	a	a	a	a	a	x	a

21	E-phone banking on the internet	a	a	a	x	a	x	x	a	a	x
22	Web shopping on the internet	a	x	a	x	x	x	x	a	x	x
23	Change user id and password	a	a	a	a	a	a	a	a	a	a
<b>EXTRA MILE SERVICE ( COMMUNICATIVE)</b>											
24	E-mail support	a	a	a	a	a	a	a	a	a	a
25	Online business	a	a	a	a	a	a	a	a	a	a
26	Online investment	a	a	a	a	a	a	a	a	a	a
27	Online insurance	a	a	a	a	x	x	x	a	x	x
28	Online application form	a	a	a	a	a	a	a	a	a	a
29	Online Islamic banking	a	a	a	a	a	x	x	x	x	x
30	Online flight ticket payment	a	a	a	x	a	x	x	x	x	x

\*a – service offered (available)

\*\*x – service not offered

Going for the extra mile! The services offered by the banks are no longer sufficed. Today's highly sophisticated and competitive world demand banks to be more vigilance on satisfying their customers. Banks nowadays are extending their services to cater the financial needs for their sophisticated customers. Interestingly, some of them are already moving towards to provide Internet banking services, whilst some are still in the process of reshaping themselves.

Table 4 represents types of features commonly provided by the banks for their internet banking customers. Features could be varies from one institutions to another. Nonetheless, the researchers found features used are commonly provided by banks, thus assumed to be acceptable. To simplify, the table is divided into 3 different categories: (1) Ease of Use (Informational), (2) Textures (Transactional) and (3) Extra Mile Service (Communicative). The first category as noted earlier means "specify the physical features an internet banking system opt to have for its customers". While the second category means "the features assisting customers' transactions and the last". The third category means "the added values offered by banks".

Malayan Banking Berhad of Malaysia tops the chart for being the most resilient and excellent internet banking, offering 28 different types of services and features. Offering 27 types of services and features, Siam Commercial Bank grabs the pole position in Thailand.

Interestingly, none of the banks from Malaysia offered any sort of language options, compared to their counterparts in Thailand. This probably due to language barrier in Thailand, compared to those in Malaysia where English are widely accepted. It is also acknowledged, most of the banks either operating in Malaysia or Thailand are still

lagging from offering Web shopping services. Burgeoning internet shopping should be addressed, besides giving more revenue to the banks; services such as this would attract more customers. The table also shows, only handful of banks mostly from Malaysia offering online insurance services. Malaysia, being remarked for their success in offering Islamic banking product, manages to fully utilize their expertise.

Overall, the researchers found Malaysian banks are more sophisticated and better in offering internet banking for their customers. In future to come, with the helps of technology advancement, the gap would soon to be narrow.

### ***The problems that faced by Internet banking in Malaysia and Thailand***

Banks are working hard to get their customer onto using the Internet, where the profit margins are higher than those found in traditional bank. However, some barriers cause customers to anticipate less than expected and they are hesitated on using Internet for their banking purposes. Security wise, nasty people lurk around every corner. Hackers, fraudsters, identity thieves and many others would take a chance to get hold of customer personal details. The problem that Internet banking services facing towards the competitive world banking in Malaysia and Thailand will be better explain on following subsection .

#### ***1. Trusting the system: an analysis***

Opportunities from implementing web technology could be restricted if there is lack of customer trust in the web system. Trust is defined as a willingness to rely on an exchange partner in whom one has confidence (Moorman et al., 1992) and the perception of confidence in the exchange partner's reliability and integrity (Morgan and Hunt, 1994). Both definitions underline the importance in the exchange partner's reliability in the conception of trust. Customer frequently do not trust Internet technology for three reason (i) Security of the system, (ii) distrust of service providers and (iii) Worries about the reliability of Internet services (Min and Galle,1999; Ratnasingham,1998).

#### ***Security of the system***

Strong concern about security is one of the common factors related to the unwillingness of consumers to use Internet banking services (Black et al., 2001; Greaves et al., 1999; Jones et al., 2000; and Madu and Madu, 2002). Security breaches can lead into numerous problems such as destruction of operating system or disruption of information access (Min and Gale, 1999). In Internet banking, security is the most important future challenges facing banks operator (Aladwini, 2001; Black et al., 2001; Gerrard and Cunningham, 2003; Sathye, 1999). Security

concerns are mostly more on threats of Cyber Crimes such as hacker activities, Phishing, Money Laundering and virus attack.

Most hackers normally prefer to hack directly through the bank financial system. In Malaysia, according to CyberSecurity Malaysia (CyberSecurity Malaysia, available at: <http://www.cybersecurity.org.my>) there are 240 cases of hacking identified during August 2005 and there are 10,000 cases reported in one day where hackers trying to hacked the Internet Banking system. E-Cop.net report that most of the hacker activities in Malaysia are the doing by hackers mostly situated from United State of America, South Korea, China and Taiwan and only 20% are doing by Malaysian and this activities usually increase during the school holiday. In Thailand, according to NECTEC (NECTEC, available at: <http://www.nectec.or.th>) there are 200 cases of hacking activities reported in 2005.

#### *Distrusting the service provider*

Reputation is important as distrust of the service provider is also a related factor. Reputation can be defined as the extent to which customers believe a supplier or service provider is honest and concern about its customers (Doney and Cannon, 1997). Companies must have experience in business functions, policy and support personnel to build reputations as competent technology-based service providers to their customers. For banks reputation is one of the major factors that affect customer adoption of new technology-based service delivery (Aladwani, 2001; Mols, 1998). Internet banking customers seem to choose banks which they believe have more experience in using technology-based service delivery. Reputation also depends on policy promises to customers, including privacy policy, as most customers do not like their personal information to be revealed in an appropriate manner or to be misused by others over the Internet (Turban et al., 2002). Customers who adopt electronic financial services are more likely to perceive problems related to loss of privacy, as the Internet seemingly allows other people to access their information easily (Gattiker et al., 2000; Jones et al., 2000). Customers do not always believe privacy policies will keep customer information confidential (Gerrard and Cunningham, 2003). A trust is related to experience with the bank and bank policy, which contributes to customer trust in bank business practices.

#### *Reliability of Internet banking services*

Perceived risk can also cause customers to reject new technology-based service delivery. Perceived risk is related to the reliability and system failure. (Mols, 1998; Walker et al., 2002). Customers are also worried that technology-based services delivery system will not work as expected and lack of confidence that the problems can be solved quickly. Furthermore, some of them have to go to the bank branches to solve the problem which is time consuming (Walker et al., 2002; Westland, 2002) found that transaction risk occurs when online banking fail to assure that service will be delivered with adequate quality. Internet banking users are dissatisfied with the low speed of Internet banking response, which results from deficiencies in infrastructure for the communication network.

Frequently slow response time after the transaction leads to a delay of service delivery and cause customers to be ensure that the transaction was completed (Jun and Cai, 2001). Customer perception of convenience seems to shift once they are experienced on the Internet and they view slow Web sites as inconvenient.

## **2. Legal support issues**

### *Privacy protection*

Many customers are concerned about legal support for commercial usage of the Internet, Zulghelder et al. (2000) mention that customer protection is the major legal issue associated with Internet banking. Among other things customer protection issues can cover unfair and deceptive trade practices by suppliers, unauthorized access and usage by others such as hackers or system failures. Customer protection is important for building online customers confidence because there is no face-to-face contact, and there is great possibility for having or making mistakes via the Web. With a lack of specific and standard laws governing Internet banking, bank customers hesitate to use this service. (Larpsiri et al., 2002). In Malaysia, according to CyberSecurity Malaysia (CyberSecurity Malaysia, available at: <http://www.cybersecurity.org.my>) electronic commerce law has been implemented but it is still insufficient to resolve Internet fraud efficiently and still need to be improved. Thailand electronic commerce law has been implemented in 2002, and customers believe that the countries still lacks the ability to protect bank customers in cases of financial loss via Internet banking and to trace online evidence and to resolve cases fairly.

### *Ability of the courts to resolve Internet banking disputes efficiently*

Another problem of legal support issue for using the Internet in commercial transactions is the jurisdiction of the courts and dispute resolution procedures. Online transaction records are not accepted by some courts to the difficulties in providing authentication of electronic transmission. Many businesses are still wary of making extensive transactions over the Web because of the lack of supporting law about electronic documents as legal evidence (Farhoomand et al., 2000). Furthermore, court is concerned about documentation which can be used as financial evidence, because such documents cannot be completely provided by Internet banking (Larpsiri et al., 2002).

## **3. Organizational barriers**

### *Negative attitudes of management*

Support or lack of desire from the top management to introduce the Internet banking seems to be critical adoption causes non-Internet banking users to have negative perception towards adopting Internet banking as a replacement of their traditional procedures. Negative attitude from some managers is one of the major hindrances. Negative

attitudes cause resistance to change and lack of management commitment, reducing the company's resource allocation and motivation to use the technology (Basu et al., 2002).

#### *Lack of IT resources*

Implementing web technology as a service channel requires organizational ability and resources to utilize web technology more efficient resources such as hardware and software. The shortages of IT infrastructure remain a critical barrier in cases to continuing growth of online banking (Chircu and Kauffman, 2000).

#### *Lack of knowledge among employees and customers*

New technology sometimes requires complex understanding and mental capability, and thus the technology may be difficult to manipulate due to limited capability and knowledge of firm employees and customer. Customer knowledge barriers may come from lack of diffusion capability and the lack of investment in training for internal employees. Thus, employees of customers' banks have different levels of tolerance for innovation and organization changes. Their personal characteristic may predispose them to be reluctant adopters of Internet banking services.

## V. CONCLUSION

Performance wise, Malaysian banks are better off than those of their counterpart in Thailand. Although still nascent, development and improvement are taking place thus changing the face of banking industry in both countries. Low level of connectivity and concern over the security contribute to impede the growth.

The researchers conclude with some recommendations:

1. Based on the major findings from Table 3 and Table 4, investments are required by the banks operator in upgrading and improving the quality of their service. This would include not just only on number of services or features offered, but also the quality wise of processing time, reliability or accessibility for customer convenience. Although, more services are highly recommended, banks should try to avoid 'marketing myopia' in introducing new features for their service—paying to much attention to the specific products they offer than to the benefits and experiences produced by the products.
2. The service providers must be more responsive on security issues. While there is no doubt that Internet banking transactions should have layered protection against security threats, the Internet banking service providers should

approach security considerations as part of their service offerings because customers today are more concern on security.

3. The government should step-in to enforce laws on protecting customer rights. The government, as the statutory body should provide guidelines for Internet banking services and monitoring over banks operation to ensure their operation are legitimate.

The researchers also remark constraint on the completion of the study. The researcher identified: (1) there is no set of standard depicting what features should be address or study, (2) without empirical data, most of the findings on intention of not using the internet banking are obscure and (3) mere assessment on services offered over the internet by banks are not suffice to be concluded as a means of ranking system between banks. Nonetheless, the study should be able to provide ample information for literature on Internet banking for both countries notably Malaysia and Thailand.

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