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From Reluctance to Resistance – Study of Internet Banking Services Adoption in the United Kingdom

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Abstract

The internet banking services is an innovative financial transaction channel that has assumed a new urgency and relevance in today's world of business. The developed countries have embraced these services with little difficulty while the developing countries are beginning to see the benefits. The objective of this research is to explore the supply and demand of internet banking services in the United Kingdom with special emphasis on three cities: London, Birmingham and Manchester. The study primarily

probed into the extent to which the internet banking services has adopted in the three major cities of the UK – London, Birmingham and Manchester. Secondly, it looked at the factors that are driving this adoption and thirdly, the reasons for non-usage by some segments of the selected regions. The consumer resistance theory by Ram and Sheth (1989) was therefore used as a framework of the study. As the focus is to ascertain the reasons for non-usage, and based on this framework, the following divisions were arrived at based on the non-users: 1) those that intends to use the services and 2) those that have no intention to use the services. The study data shows that there are significant differences based on the reluctant/resistance paradigm. The reluctant group falls into those that want to use but have not wholly made up their minds to do so while the resistance groups are those that have no intention of using the internet banking system at all. The study in a nutshell, provides financial managers and the academic community with a tool to engage these non-users through product designs and promotions.

Keywords: United Kingdom, adoption, reluctance, resistance, internet banking

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BACKGROUND AND CONTEXT OF THE RESEARCH

The United Kingdom, as well as other developed countries such the United States of America, Canada, Australia, the wider European Union, New Zealand, etc are constantly undergoing changes in their demographic make-up due to migrations. These changes in demography also affects in so many ways the buying and selling of various products and services. Businesses of all sizes and shapes need to understand the consumption behavior and attitudes of the different segments of these mixed consumers. The management of the various segments of consumers serves as a competitive advantage in every facet of marketing strategy.

Since the industrial revolutions, innovations within the field of technology have been tremendous; the most recent being the internet. Afuah (2003) and Floros (2008) contend that the internet has come to stay and will forever change the phase of business and the information transmission as well as affect all aspects of human endeavors forever. Unfolding events since the assertions of these authors and other researchers have laid credence to their predictions. The worrisome aspect is however not unconnected with the security of the information deposited on the public domain (Geer 2003). The lack of control or censorship of the internet attaches a lot of caution to its usage. While the internet is a laudable innovation of the 21st century, which has impacted positively on individuals and organizations, its negative impacts are often highlighted and this tend to serve as one of the factors to be considered before it can be adopted.

Internet banking a new innovative financial transaction channel is seen as the rave of the moment. It offers customers time savings and freedom from time and place (Benamati and Serva 2007).

Furthermore, internet banking, according to Akinci, et al., (2004) is not bound by time and space, similarly, Ahasanul, et al., (2009) also stated that internet banking is fast, easy to use and convenient. Despite these benefits, internet banking services is seen by some bank customers as irrelevant both to their individual needs and their businesses; they also see it as time consuming exercise. Based on all these disadvantages, these segments prefer the payment of their bills and the conduct of their financial transaction with the use of the traditional methods. Kuisma, et al., (2007) and Durkin, et al., (2008) both agree that several factors play diverse role for the resistance to internet banking adoption by various segments of the society. It is these factors that this research sets out to explore within the three major cities (London, Birmingham and Manchester) of the United Kingdom.

The objective of the study therefore is to determine the institutional as well as the user-related factors that affect the usage and non-usage of internet banking services in the three selected regions of London, Birmingham and Manchester of the United Kingdom.

The rest of the paper will proceed as follows. The next section discusses the customer behavioural issues; this is followed by the research methodology and data analysis. Finally, the findings and the limitations, directions for future research, implications and conclusion of the research are presented.

Behavioural issues related to consumers adoption of an innovation

This section further explains some of the key concepts in psychology which has some linkage to consumer behaviours and adoptions or non adoption of innovations. Some of the concepts include intentions, attitude, innovations websites, (Ajzen 1985, 2006; Lee 2009; Yap 2010). These concepts have also been incorporated in researches originating from other disciplines such as IT, strategic marketing, businesses, management sciences, etc.

Behavioural concept

Behaviour, a term derived from social psychology has been defined by various authors in different forms depending on the subject matter under review. In the lay man's language, behaviour is simply the noticeable actions of an individual. These actions, assists in determining the method or methods with which to respond to or counter an action by another individual or the society (Ajzen 2006). However, Venkatesh (2000) viewed behaviour as "*responses to stimuli*" (p.360) - this could be internal or external or behaviour/actions that are performed physically (Venkatesh and Davis 2000). These definitions support the view of Ajzen (1985) that behaviours are actions that can be physically observed. To buttress this further, the inability of a competitor in a competitive event to win a medal or film actor or actress to be awarded an Oscar, is not behaviour but a culmination of sets of behaviours. The failure might have arisen as a result of lack of preparations or other factors. Therefore, behaviour can be viewed as the actions of an individual that can repeatedly be observed over time (Lee 2009). Ajzen, and Fishbein (1980) stated that behaviour involves the making of a choice which results in an action; other active factors within these range are intentions and attitudes. The above shows that there might be some similarities, the differences are obvious as explained below.

Intention concept

Intention unlike behaviour is not an action rather it is intrinsic (Quick 2009). It is a plan,

desire, or aim to act in a certain way. The Chambers Dictionary defined intention as “*an act or instance of determining mentally upon some actions or results*”. In other words, an individual might draw up a shopping list or places to visit while on holiday, however, these remains an intention until such a time that these have been put into practice, then it is can be said to be behaviour, it remains an intention if not translated into action. The ability to put an intention into action will depend on certain factors such as the suitability of the environment, time, etc (Ajzen 2002, 2006). Furthermore, the formation of intention and translation into behaviour depends largely on the amount of information available to the individuals or organizations concerned. This information enables the individuals or organisations to make a decision (reasonable or unreasonable) and when this decision is put to action or practice, it is then regarded as behaviour.

Attitude concept

Attitude is often described as the disposition, manner, approach, or style of an individual (Ajzen 2002). Venkatesh et al., (2003) stressed that it combines the elements of belief and affection and it can be positive or negative. For example, an individual can only develop an attitude which could either be positive or negative depending on the information and or experience at his or her disposal. A poor reception accorded an individual on a first time visit to a particular even might warrant a negative attitude towards such or similar events in future; however, Fishbein (2008) stressed that a positive attitude may be accorded an even that is pleasant in nature and might warrant a repeat visit. This applies to the usage of machineries, technologies, and other innovations. Researchers in various fields of human endeavour are mostly keen to study the attitude of individuals in relation to a particular event or issue. In the consumer behaviour/ marketing paradigm, Aguila-Obra, et al., (2006) noted that customers' attitudes plays a significant role and determines the purchase or otherwise of a particular product (goods or services). This is because attitude forms the bedrock on which behaviours are measured.

Innovation concept

The introduction of something new or different is often regarded as an innovation. Few of the recent innovations within the field of smart phone technologies include but not limited to Iphones, Blackberries, HTC, Samsung, Nokia, etc and others such as I pads, Androids, and other soft touch tablets. Tih and Ennis (2007) contend that the behaviour of consumers which results in the purchase of new innovations largely depends on a variety of factors; such as age, cultural values, levels of incomes; the ease of use of such devices or materials and the usefulness in terms of the value it might bring to them. These and others are of great interest to marketers of these products or innovations as it will assist them to refine these products in order to expand their customer bases (Aguila-Obra, et al., 2006). Kotler and Keller (2010) in examining the position of innovations within a new product development, especially at the introductory stage of the product life cycle contend that the product features and benefits should form the basis of its commercial output rather than the qualities of the product.

Subjective norm

Fishbein and Ajzen (2010) described subjective norm as the perceived social pressure to perform or not to perform a particular behaviour. Subjective norms as presented by normative beliefs are located within, but not identical to, the broader construct of social norms (Fishbein 2008).

While a social norm is usually meant to refer to a rather broad range of permissible, but not necessarily required behaviours, normative beliefs refers to a specific behavioural act, the performance of which is expected or desired under the given circumstances, (Ajzen, 2002, 2006). The origin of the term subjective norm or social influence lies in the cradle of social psychology research which dates back to part of the 20th century (Fishbein 2008). Various researchers such as Kurt Lewin introduced and experimentally proved the concept of social influence as a pressure of conformity on an individual human being to act or to conform to the behaviour of a distinct group or persons (Karjaluoto, et al., 2009). This also includes a continuous comparison from individual's point of view with the behaviours, opinions, actions of peers (Kuisma, et al., 2007; Lee 2010).

Social influence expresses itself in an individual as a change of thinking or feeling concerning a specific behaviour due to communication with another individual. This was however, popularized by the works of Everett M. Rogers in 1962 on the diffusion of innovations (Fishbein 2008). Within this approach, Rogers describes social influence as a norm or the roles of opinion leaders and change agents in innovation diffusion in a distinct social system which Rogers (2003) defined as *"a set of interrelated units that are engaged in joint problem solving to accomplish a common goal"* (p. 28). Eckhardt, et al., (2009) argued that the term social influence in information system research could be predominantly related to the concepts of peer pressure and social comparison in a distinct social system. The construct, subjective norm as well as social factors was introduced within the competing Theories of Reasoned Action (TRA) in 1975 (Pikkarainen, et al, 2004). Subjective norm in the context of this research is intended to measure the social influences on UK banking and non-banking customers as well as assess the impact of the opinions of families, friends and colleagues on their attitudes, intentions and behaviours with respect to internet banking uptake.

Adoption concept

The innovativeness of tangible and intangible products are usually subjected to consumers' covert and overt opinions; whichever way the pendulum swings, it will ultimately lead to adoption or non-adoption. Adoption have been viewed by different authors in different contexts, the continuous usage of a particular good or idea can be termed as adoption, see Fig.1, and vice versa (Akinci et al 2004; Durkin et al 2008).

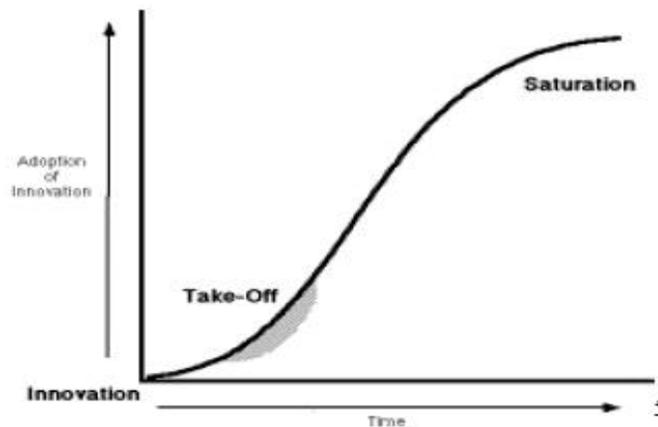


Figure 1: Adoption of innovation curve; Source: Rogers, (1983)

Rogers (1983, 2003) states that innovation is a process which goes through stages, however, Kotler and Keller (2010) commenting on innovation adoption, conceptualized the process as AIDA – which stands for awareness or attention, interest, desire, and action. In the commercialization of the innovation, the aesthetic values in terms of appearances, shapes, sizes weights, and other features are often considered by a potential buyer, and marketers have often used these and more to capture the attention of customers who hitherto may have no intention of purchasing such a product or service (Kotler 2003, 2009). Adoption category as conceptualized by Rogers (1985) in Fig 1 shows that consumers do purchase products and services at various times of the product life cycle as shown in Figure 2.

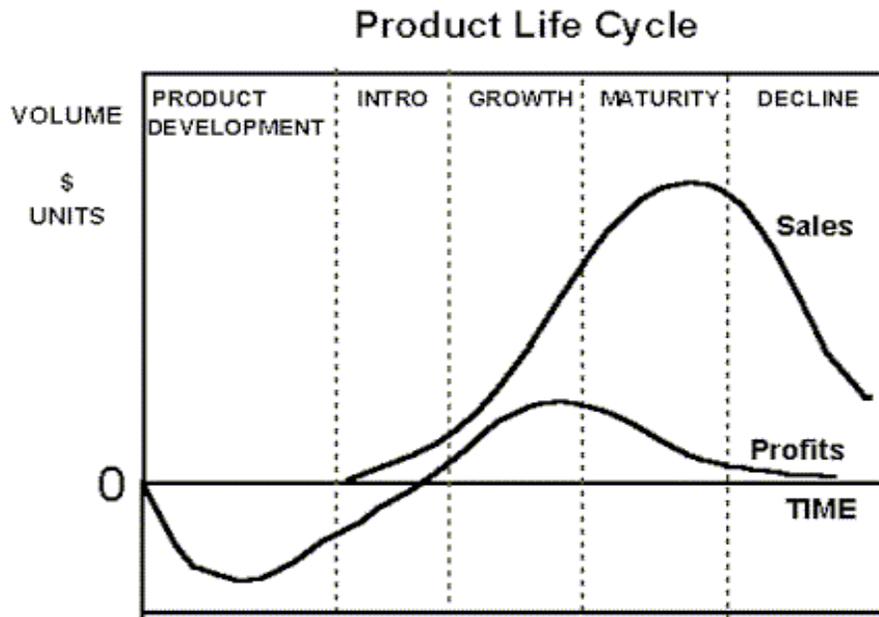


Figure 2. Product Life Cycles – Adopted from Kotler, Philip & Keller, Kevin Lane (2009) *Marketing Management* Pearson Education International, 13. Edition

The innovators, as seen in Figure 2, according to Kotler and others are usually in small percentages and these set tries out the product. These “early adopters” are usually extremely cautious about the product or service, however, the early and late majorities tend to be very cautious. These set are the middle class and low income earners (Kotler and Keller 2006). Finally the laggards are those who usually wait for the price to fall to enable them afford the product. All the stages are affected by levels of incomes, age, preferences, position in the society, and levels of conviction rate; while the innovators, and to some extent the early adopters are easy to convince, the levels of conviction required are usually tied to the association of the product or services to the innovators and early adopters as depicted in Fig 3.

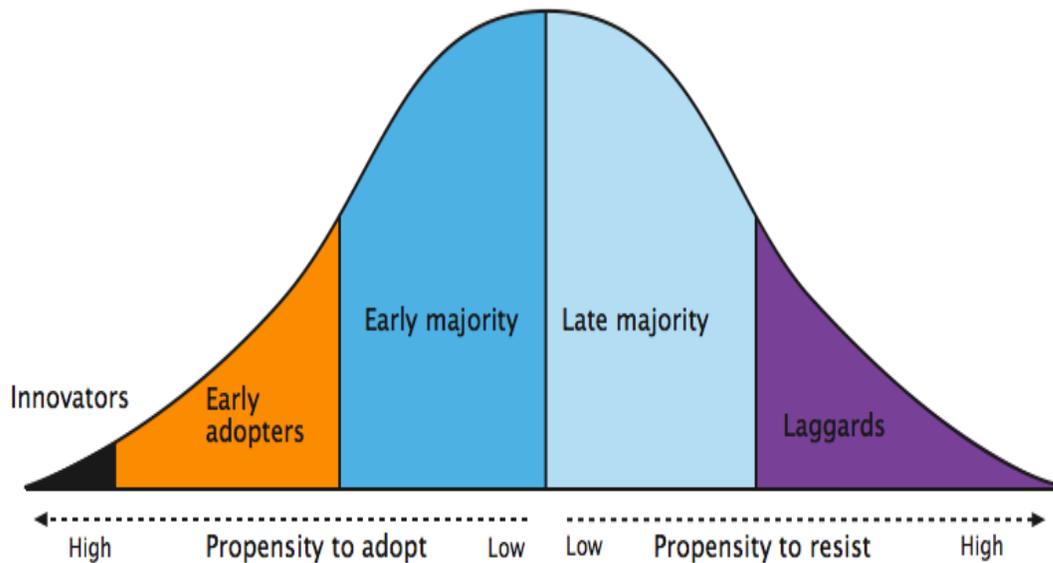


Figure 3: Innovation adoption curve. Source: Rogers (1985)

Adoption is not and cannot go for diffusion. Rogers (2003) argued that diffusion relates to the general acceptance and usage of a particular product by an individual, group or the society.

Reasons for resistance to change

Innovations impacts positively in all facets of human endeavour as seen from the numerous innovations and the high levels of comforts they have brought to human existences. The recent innovation being the internet which has shortened time and space. And the use of the internet in other aspects of life as well as in businesses and as a financial transaction channel, such as the internet banking services, has indeed become a welcome innovation. The recent smart phones with compressed high-tech features have also brought about ease of communication and more or less, compressed so many things in one tablet – such as camera, video, short messaging services, etc, have all impacted positively in the lives of the human race. The downside, however, is that these innovations have also creates a high degree of changes in the day to day existence of various consumers and disrupted their established routines (Bandyopadhyay and Fraccastoro 2007; Durkin, et al., 2008; European Commission 2011b).

The initial introduction of online shopping in various countries of the globe met with high level of resistance (Chironga, et al., 2011) due mainly to the inability of the customers to interact with the store personnel. By extension, it is a total shift from their established mode of shopping. This means that any form of changes from a system which is deemed satisfactory will to a large extent be faced with high level of resistance.

Resistance to innovation comes in different shapes and sizes and these have become a big issue to marketers and organisations. This is because, taste, religious beliefs, education, and levels of income plays active roles at different times (Bauer and Hein

2006). In a different context, the resistance to an innovation can be seen as consumers' preference for existing product and therefore not willing to change (Kuisma, et al., 2007). In other words, the refusal or unwillingness of consumers to change can in fact be cited as a reason for resistance to change. Beliefs could also be a reason for resistance – consumers' in the developed countries of the world often view goods from some developing countries as inferior while in some cases, consumers' in the developing countries (not all), view goods from developed countries as being superior. Furthermore, Shet and Ram (1987) stressed that "some consumers believe that buying foreign goods is unpatriotic and does a disservice to the native economy, for instance, the "Buy America" movement of the 1980s is a manifestation of the strong beliefs held by such American consumers" (p.23).

Several researchers such as Shet and Ram (1987); Akinci, et al., (2004); and Karjaluoto, et al., (2009) have in their various researches identified various characteristics of consumer resistance to innovations as seen in Figure 4. Shet and Ram (1987) stressed that consumer resistance to innovations consists of functional barriers and psychological barriers. While, Akinci, et al., (2004) argue that usage, value and risk barriers constitute functional barriers, whereas tradition and image barriers refer to psychological barriers (Karjaluoto, et al., 2009).

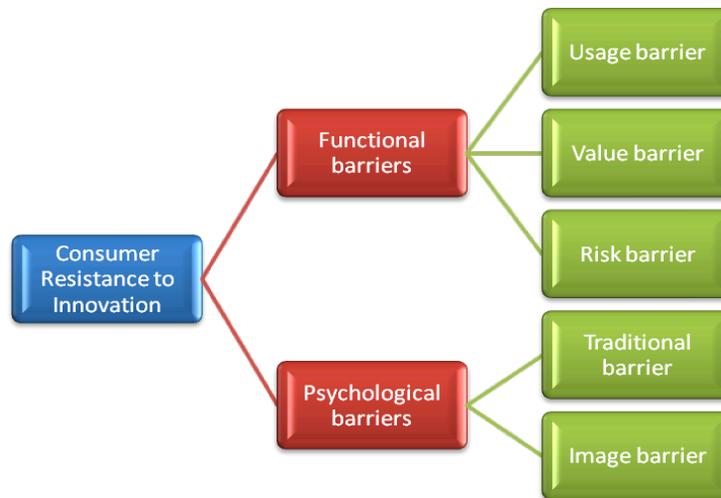


Figure 4: Consumer resistance to innovations: Source: Shet and Ram (1987)

Shet and Ram (1987) stressed that functional barriers are likely to arise if consumers perceive considerable changes from adopting an innovation, while psychological barriers are often caused by conflict with consumers' prior beliefs.

The usage barrier is often cited as the most common reasons for the total or partial resistance to an innovation. This is because an innovation which requires great or technical changes in customers' routines, may require a relatively very long developmental processes before gaining acceptance and usage (Lee 2009).

Furthermore, the perceived ease of use and perceived usefulness of an innovation must be seen to out-weigh the cost. If the expected value are compared with the performance

(Fishbein and Ajzen 2010) and there are no remarkable differences or derivable values, resistance may be triggered

Uncertainties abound in life and definitely in all innovations, hence the fears of the unknown often deter consumers from adoption of an innovation, resulting in the wait-and-see attitude of the later adopters. It is these perceived risks (Durkin, et al 2008), that serves as inhibiting factors for the adoption of new innovations. Risks, however, is an intrinsic behavior/perceptions of consumers based on the fears of the unknown rather than characteristics of the innovation. Bauer and Hein (2006) divided these risks into the following categories - physical risk (an innovation may cause harm to a person or his property), economic risk (the cost of making wrong decision to adopt an innovation now instead of waiting for a better or more inexpensive version), functional risk (performance and ability of an innovation to function properly) and social risk (social ostracism and fear of being seen negative light by others) (Kuisma, et al. 2007).

Vankatesh, et al., (2008) stressed that the traditional barrier implies the change an innovation may cause in the daily routines of a consumer. Furthermore, consumers have social and family values as well as social norms. Any form of behaviour that goes contrary to these values and norms will cause the traditional barriers.

Finally, Shet and Ram (1987) argued that the image barrier originates from stereotyped thinking about an innovation. Every innovation attains a certain identity from its origins like the product category to which they belong, the country of origin or the brand of an innovation (Lee 2010); therefore, the image barrier can be considered as the image of the innovation in general.

Based on the above analysis, the following research questions were crafted:

RQ1. Why are some bank customers reluctant to use internet banking services in the United Kingdom?

RQ2. How can the financial institution managers reposition the internet banking services to attract these customers and increase usage of the services?

The author believes that by findings answers to these questions, that a new insight into internet bank marketing will evolve and, with proper implementation, the usage of the internet banking services will become widespread and ultimately lead to branchless banking – saving both customers and banks a lot of cost. The next section describes the methodology and methods utilized for data collection.

RESEARCH METHODOLOGY

Research procedure

This study required the input of individuals from different parts of the United Kingdom, different ethnicity, race, education, income levels and beliefs, hence the adoption of a survey method. The survey environments were three big cities in the United Kingdom – London, Birmingham, and Manchester. However the survey instruments were pre-tested in two universities in London with different ethnic groups in attendance. And using a convenience sampling technique, the survey questions were administered to nine hundred respondents at an equal rate of three hundred per city. The administration and collection of the responses lasted four months; six hundred and eighty completed

questionnaires were returned. In the course of the analysis, fifty were found to be incompletely filled, hence cannot be used and were voided. Finally, six hundred and thirty were deemed fit, yielding an effective response rate of 70%, and were considered appropriate for usage in the study.

Nature of the survey instrument

The survey questionnaires were divided into several sections to adequately address the research aims. These consist of demographics, internet and internet banking usages. The demographic questions dealt with issues such as age, gender, employment status, income and educational levels. This is because, the respondents cuts across various strata of the society. It is therefore important to sample the views of both users and non-users of the services. And the second section dealt with issues bothering on internet usage, the aim of which was to determine the level of usage of the internet and the purposes for which it is used. The final section dwelt on internet banking usage, the aim of which was to determine the level of usage or otherwise of internet banking as a financial transaction channel. It was also aimed specifically at extracting information relating to usage of the internet banking services for the payment of bills, account to account or inter-bank transfers as well as checking balances and/or simply browsing the internet for financial products.

DATA ANALYSIS

Demographic profiles of respondents

The respondents for this study (see Table 1) cuts across various strata of the society as well as different educational, cultural and ethnic backgrounds. The demographic profile showed that 61.90% were males and 39.68% were females. The largest group consisted of those aged 36-50 years which represents 68.09% of the sampled population. These group could be considered to be within their active working life and therefore very vital for this study and in fact a very important segment that cannot be ignored by financial managers. Also the inclusion of full time employees and business owners which represents 63.97% of the sampled population gave this study a rich data. These segments of the sampled population are the potential users of the internet banking services.

Demographics

Table 1: Demographic profile of respondents

Gender	Male	380	61.90%
	Female	250	39.68%
Age	25-30	30	4.76%
	30-35	39	6.19%
	36-40	143	22.70%
	41-45	166	26.34%
	46-50	120	19.05%
	51-55	74	11.75%
	56 and above	58	9.21%
Employment status	Full time	231	36.67%
	Part Time	148	23.50%
	Not in employment	79	12.53%

	Business owners (self employed)	172	27.30%
Income level (per annum)	£15,000 and below	89	14.13%
	£16,000 – £25,000	174	27.62%
	£26,000 – £35,000	258	40.95%
	£36,000 – £45,000	68	10.79%
	£46,000 and above	41	6.51%
Educational level	No qualification	81	12.85%
	Certificate/diploma	327	51.91%
	First degree	166	26.35%
	Masters	56	8.89%

Table 2: Internet usage of respondents

Age range of respondents	25-30	30-35	36-40	41-45	46-50	51-55	56 and above
No. of respondents within each range	30	39	143	166	120	74	58
Frequency of internet usage							
- Always	30	30	123	139	65	13	5
- Most times	-	6	14	20	40	24	2
- Some times	-	3	6	7	5	11	3
- Never	-	-	-	-	10	26	48
Shopping online	30	39	143	166	120	74	58
- Yes	29	32	129	98	45	11	5
- No	1	7	14	68	75	63	53
Device used often	30	39	143	166	120	74	58
- Desk/laptop	-	9	38	64	47	27	6
- Mobile phones	30	30	105	100	63	21	4
- Non-usage	-	-	-	2	10	26	48

Table 2 shows that internet usage of respondents. It is obvious from the table that frequencies of usage are higher among the youths (25-50) whereas the elderly seem to be cautious. Furthermore, online shopping spree also weighs more on the younger generations than among the elderly. The reason or reasons for the proliferation of internet, as evidenced from Table 1, is not unconnected with the advent of smart phones of different shapes and sizes. The need to communicate with ease has in fact become the riding factor for the ownership of a smart phone. Moreover, the advent of Facebook, Twitter, Belbo, and other social networking media have all brought about the need to own a smart phone by so many as shown in Table 3. Since all these are dependent on the internet, the constant usage of the internet is therefore must. The average internet experience of the respondents was 10.6years

Table 3: Various uses of the internet by the respondents

Various uses of the internet by the respondents	25-30	30-35	36-40	41-45	46-50	51-55	56 and above
Information search	X	X	X	X	X	X	X
News	X	X	X	X		X	X
Movies	X	X	X	X	X	-	-
Shopping	X	X	X	X	-	-	-
Communications (yahoo messenger, Hotmail, twitter, facebook, etc)	X	X	X	X	X	X	-
Webcam usage	X	X	X	X	X	X	-
Youtube	X		X	X	X	X	-

Table4: Internet banking usage of respondents

Various uses of the internet by the respondents	25-30	30-35	36-40	41-45	46-50	51-55	56 and above
	30	39	143	166	120	74	58
Intention to use							
- Yes	29	32	129	98	45	11	5
- No	1	7	14	68	75	63	53
Internet banking usage							
	30	39	143	166	120	74	58
- Yes	29	32	129	98	45	11	5
- No	1	7	14	68	75	63	53
Point of accessing internet banking							
- Desk/laptop at home	-	X	X	X	X	X	X
- Office	X	X	X	X	X	X	X
- Cyber cafés	-	X	X	-	-	-	-
- Hand held device	X	X	X	X	X	-	-
Length of internet banking usage							
- Less than a year	-	-	-	-	-	-	X
- One to two years	-	X	X	X	X	X	-
- Two to three years	X	X	-	X	-	X	-
- Three to four years	X	X	-	-	X	-	-
- Five years and above	X	X	X	X	-	-	-

Table 4, shows a complex set of responses from a diverse set. The level of internet banking usage was seen to be much more embraced by the youths than the elderly sets. While the point of accessing the internet banking clearly shows that the youths can virtually do everything from the mobile phones, the middle and elderly still use desks and laptops. These sets, as opposed to the youths, rarely visits the cyber café and do not fancy the usage of the mobile devices which is fast becoming a habit for the youths. Furthermore, the length of usage of internet banking services by various groups indicates that the youths are have adopted and still uses the internet banking services while the elders are not.

Table 5: Resistance to internet banking

consumer resistance to internet banking	25-30	30-35	36-40	41-45	46-50	51-55	56 and above
	30	39	143	166	120	74	58
Functional barrier							
- Usage barrier	-	-	-	-	X	X	X
- Value barrier	-	-	X	X	X	X	X
- Risk barrier	-	X	X	X	X	X	X
Psychological barrier							
- Traditional barrier	-	-	-	X	X	X	X
- Image barrier	-	-	-	X	X	X	X

Based on the questions relating to the framework of the research, the youths care less about the risks associated with internet banking while the elders and most business owners strongly sees it as a barrier to their adoption of the internet banking services. The table indicates that the youths are in no way affected by the barriers which in this case are all taken seriously by the elders. This suggests that there is a paradigm shift based on generational gap of tradition and modernity.

DISCUSSION

The above analysis clearly shows a gap between demand and supply on one hand and the traditional product-centred strategies currently at the centre stage of most UK financial organisations. This is in sharp contrast to the product/demand innovation strategies on the other hand, which is lacking. Demand innovation focuses on the use of product positions as a starting point from which to accomplish new activities for customers which may solve their biggest problems and improve their overall performances. Based on the analysis of the data from this study, very many customers are currently spending time and efforts to figure out how to use, maintain, and store information with respect to internet banking services among the less educated migrants in London, Birmingham and Manchester of the Untied Kingdom.

The question is: what exactly should the banks do to attract customers to internet banking services with a view to establishing a cashless society? The answers to these as well as others lies on the ability of the financial institutions to effectively manage customers' value chain such as training, effective promotion, and proper awareness creation, these unfortunately, are currently lacking in the UK.

Though the majority of the respondents' apparently found the use of Internet banking service economical, data analysis however suggests that the functional barriers seem to be more influential than the psychological barriers. The reason may not be unconnected with the fact that these respondents live in the major cities.

Based on the data, it is evident that customers' who have no intention of using the services, not even in the nearby future are diverse as well as high. Most of the business owners think that the internet banking does not offer them any form of benefits, this belief however contrasts with the youths who see both the internet and internet banking as two great innovations hence their intense adoption and usage – in order words, these gives credence to the generational shift.

Intentions to Use Internet Banking

Furthermore, an examination of the banking needs most respondents revealed that 349, representing 55.40% of respondents had already used online banking at the time of the study. Intentions to use internet banking were also high overall among the youths as opposed to the elders who are small and medium scale business owners and employers of labours. As there are several millions of small and medium scale businesses across the country – getting these sets to use the internet banking services will assist in lowering the amount of cash in circulation. As can be seen from Table 4, 281 respondents, representing 44.60% of the sampled population has no intention to use internet banking services in a developed country such as the United Kingdom. This is in sharp contrast to Finland, where Laukkanen, et al., (2008) and Karjaluoto, et al., (2009) in their various studies, found more than 70% of the population to have adopted the internet banking services.

The highly successful government ICT policies in these cities, with the attendant role of cheaper smart phones which have resulted in the advanced state of internet diffusion in many homes, could nevertheless assist in the promotion and usage of innovations such as internet banking, and provide valuable lessons for the individuals and businesses in the entire United Kingdom and in other developed countries

Limitation and Future Research

The limitations in terms of sample size in the three cities of London, Birmingham and Manchester in the United Kingdom, respondent profiles and timing of the study may have affected the outcomes. Other limitations could be viewed within the premise of the rapid rate of change within the IT environment in the United Kingdom as well as the rapid diffusion of the internet globally; therefore timing of various studies becomes critically important. The studies by Kolodinsky, et al., (2004) in the US of A; Lichtenstein and Williamson (2006) in Australia, Ahasanul, et al., (2009) and others, all gathered their data months or years earlier. It is believed that so many changes with respect to internet diffusion would have taken place. In the light of the above, the findings of this study may have been impacted by these time differences.

The sample size (300 in each city), with populations well over tens of millions, may have also influenced the results. Furthermore, the relative advantage of the internet banking services and banking needs at both individual and organisational levels may have likely been affected. Once again, these limitations need to be considered in the interpretation and adoption of these findings.

Internet users in these cities can be placed on the same pedestal, hence in their income comparison, no consideration was given to the cost of living; it is however a general knowledge that London is a very expensive city to live.

In this study, three cities within the United Kingdom were compared. Future research could however, extend the study to other remote towns of the United Kingdom. Moreover, future studies might also compare two countries and any differences explained in terms of the environmental contexts. Differences could further be explained in terms of cultural values, as well as socioeconomic conditions, internet diffusion and government policies. The impact of the internet on bank performance based on internet banking adoption as an electronic channel for financial services deliveries have not been

fully considered, but may be another important area for future research.

Managerial implications

Some of the high level developments within the technological divides can be imported into the banking systems – presently, within the immigration systems and in fact the new ways to identify even the dead can be imported and used for the identification of customers. The use of customers' fingerprints, or eyes or even voice – which are all recent developments with biometric sciences may be utilized. This, it is believed will alleviate the inconveniences of password and pin which most customers' often forget

The current negative image attached to the internet banking services occasioned by the high density of cyber crimes which are often splashed on both the electronic and print media can be alleviated with a positive promotion and assurances from top financial managers with an up-to-date system and software.

It is on record that the traditional brick-and-mortar banks are becoming obsolete and virtual banks are beginning to grow and gain strengths in all developed countries; however, due to the problems identified above, bank managers must now device means of promoting not just the internet banking services but also banking and bank usage as a whole especially to the majority non-users of banks.

CONCLUSION

It is on record, as evidenced by researches from other countries such as Almogbil (2005); Benamati and Serva (2007); Bandyopadhyay and Fraccastoro (2007); Durkin, et al., (2008); Ahasanul, et al., (2009) – that organisations and innovations experience high rate of failures – this is usually blamed on consumers' low demand for innovative products and services. Social attitudes has been touted as one of the major reasons for low innovation demand, however, other factors also play active roles. These are postponements, outright rejection and outright opposition. Based on the findings of this study, and the consumer resistant frameworks, these three (postponement, rejection and opposition) play active roles. However, the components of the consumer resistant framework which bothered on functional and psychological barriers were all identified as reasons for the low adoption of internet banking services among the respondents surveyed in London, Birmingham and Manchester of the United Kingdom.

Given the importance of this low cost innovation of which all the banks have invested heavily upon, policy makers and indeed the banks must now ensure its usability by their customers. The development of specific as opposed to the present general strategies for marketing and most importantly, relationship marketing of these segments of customers' will lead to drastic reduction of customer queues in various banking halls.

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