

ABSTRACT

The growth of internet banking usage in the future will increasingly shift the traditional banking activities, which have many weaknesses, such as the consumption of time or personal interaction. Internet banking itself was not too interested by bank customers in Indonesia. Customers have shown a reluctance to use the Internet banking service due to concerns about the risks as well as skills to use the internet from the customer is not required but with the internet banking it is an important factor in internet banking usage.

Understanding the factors tendency of customers in using internet banking services was developed a conceptual model that combines a slight modification UTAUT (unified theory of acceptance and use technology) model with perceived risk by adopting a theoretical model of C.Martins et al., (2014) and also includes internet skill as an antecedent factor to explain behaviour intention and usage towards internet banking.

This study uses the method of analysis SEM (Structural Equation Modeling) with AMOS program to test the causality in the model that has been proposed. The study used a non probability sampling – quota sampling. From all questionnaires collected, only 315 sample gave valid respons through offline and online survey.

Based on the results of the overall model study showed a significant relationship between the variables of perceived risks, performance expectancy, effort expectancy, behavioral intention, usage behavior, and internet skills. While a multidimensional perceived risks variable evaluation confirmed that these factors can be explained by the seven sub-conntsructs (performance risk, financial risk, time risk, psychological risk, social risk, privacy risk, and overall risk).

In this study behavioral intention directly influenced by effort expectancy and performance expectancy. Furthermore, internet skills has the second greatest influence performance expectancy. As the result, for banking firms to create different strategies in introducing internet banking, informing customers how the functional benefits of internet banking. As well as the Bank needs to create attraction with the use of internet banking service the most recent features of financial transaction that is currently required by customers.

Keywords : Internet Banking; Unified Theory of Acceptance and Use of Technology; second order factor perceived risks; internet skill