

# Key Factors to Affect the Adoption of Mobile Banking in the Philippines

*Wan-Rung Lin, Fu-Ju Yang, Yi-Hsien Wang and Elsa Peraro*

Chinese Culture University

## Abstract

The rapid development of internet and popularization of mobile phones has stimulated the banking and financial sectors towards encouraging customers to use mobile banking. This paper examines empirically the factors that affect the adoption of mobile banking in the Philippines. Data were collected from 421 Filipino using online questionnaires. This study uses factor analysis and multiple regressions to analyze the factors that affect the behavioral intention to adopt Mobile Banking in the Philippines. The results revealed that perceived attitude and perceived behavioral control were key dimensions that affect the behavioral intention to adopt Mobile Banking. In particular, relative advantage, compatibility, observability, and trialability, were found to affect attitude factor. In addition, self-efficacy, technology support and government support were similarly ascertained to affect perceived behavioral control factor. The results of this study will have useful implications for banking industry in the Philippines.

*Keywords:* Attitude, perceived behavioral control, behavioral intention, mobile banking.

## 1. Introduction

Technological advancements in the area of telecommunications and information technology have continued to revolutionize the banking industry. The delivery of financial services has experienced major changes during the past few years. A feature of the banking industry across the globe is that it has become increasingly turbulent and competitive. Provision of mobile banking services has been broadly used, and an understanding of the customer adoption process will have important implications for bankers and customers alike.

Mobile technology has been revolutionizing the global banking industry. It offers new opportunities for banks to provide added convenience to their existing customers and reach a large population of unbanked customers in emerging markets. The banking industry is the largest industry in the financial sector which meets the needs of various types of people. Indeed providing the best banking service is viewed as the priority for the success of service organizations like banks.