

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

Edwin Agwu, Middlesex University Business School, London, United Kingdom

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 hinged on the exploration of 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 been 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: Adoption, Internet Banking, Reluctance, Resistance, United Kingdom

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 behaviour 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 face of business and the information transmission as well as affect all aspects of

DOI: 10.4018/ijcrmm.2013100103