

# **A Research on Consumers' Attitudes Towards Online & Mobile Banking in Malaysia**

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## **ABSTRACT**

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The internet banking and telephone banking system spread rapidly within Malaysia in recent years. With the advantages of being convenient, safe, efficient and economical, Malaysia's banks are confident that electronic banking benefits would outweigh traditional banking services in the future and therefore, are eager to implement the new technology and services in order to grasp, penetrate the market and gain competitive advantage. Most retail banks in Malaysia now provide online banking as add-on services to the existing branch activities while mobile banking is in the initial stage of implementation. These banks implement this new service which has several advantages for customers – one, guarantee of safety of clients' funds. Two, the service can be accessed 24/7 and finally, a cheap going rate of RM0.1 for every successful transaction plus no charges for unsuccessful transactions with the whole process taking a few seconds to complete after the user sends his message.

Online banking (or Internet banking) allows customers to conduct financial transactions on a secure website operated by their retail or virtual bank, credit union or building society. Mobile banking (also known as M-Banking, mbanking, SMS Banking etc.) is a term used for performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. Mobile banking today is most often performed via SMS or the Mobile Internet but can also use special programs called clients downloaded to the mobile device.