

**A PRELIMINARY STUDY ON ADOPTION OF SMS BANKING AMONG
CUSTOMER'S IN LIBYA**

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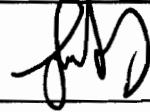
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ABSTRACT

Banking has always been a highly information intensive activity particularly over the last few decades that information and Communication technology (ICT) has affected the banking industry heavily. The appearance of SMS banking services has changed the nature of financial services delivery costumers. One of the most growing phenomenon's in financial services is mobile internet banking. The purpose of this study is explorer the adoption of SMS banking among Libya customers, an emerging Middle East economy in the area. The present study modifies the technology acceptance model and applies it to banks customers in Libya. By providing SMS banking services, banks can get notable cost saving, reduce their branch networks, and improve efficiency. But since customers do not adopt and use these service, banks cannot profit from them. A numbers of Libya banks recently have started to offer SMS banking services to their customers, but the fact it got a respectable reaction from people' point of view. A model of TAM with factors from perceived innovation attributes and the personal characteristics of adopters have been developed to identify the most factors that influence SMS banking adoption among Libya customers. Also I used this section describes the research methods used to test the hypothesis developed based on the Theory of technology acceptance model (TAM) as the underpinning theory to the SMS Banking Adoption. The result of this study were contribute were positively related to SMS banking adoption as hypothesized. The positive association between combination among all independent variables (ease of use, usefulness, credibility, compatibility and observability) was supported.

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CHAPTER ONE

INTRODUCTION

1.1. Research issues

Indeed, during the last decade, the number of banks that recognized the benefits of SMS banking services and adopted SMS banking increased dramatically. While in 2001, only one bank has offered SMS banking services, by the end of 2002 this number increased to 6,000 banks (Claessens et al., 2003). In recent years, many research studies have been conducted investigating the characteristics of banks that adopted SMS banking, and most of these studies find that large and new banks which are located in highly populated expensive urban areas are likely to adopt SMS banking (Furst et al., 2000a; Daniel, 1999).

This research can contribute to an improved understanding of the factors related to user's acceptance of new technology. In particular, this study acts as an understanding of the theory of (TAM). Also, this research can contribute to an understanding of the acceptance of SMS banking in LIBYA banking industry setting.

The study has three aims. The first is to determine if the basic demographic factors influence the SMS usage for banking in Libya. The second is to examine the factors that affect the adoption of SMS-banking. The third is to investigate if there are any differences between the SMS and non-SMS users relating to the various factors.

The contents of
the thesis is for
internal user
only

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