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## Mobile banking adoption by senior citizens in Australia

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# Mobile Banking Adoption by Senior Citizens in Australia

## Mobile banking ?

Mobile banking (MB) is a recent technological innovation introduced by banks to allow its customers to conduct their banking transactions through smart phones.

## Different strokes for different folks

**Aspiring bloomers** → use MB for transaction alerts, fund transfers and remote payments.

**Ardent affluent** → Use MB for photo bill pay, virtual wallet and commercial payments.

**Liberal users** → Use MB for check account and loan balances.

**Senior users** → **slow adopters of MB**  
→ Concerned with MB security

## Mobile Banking Overview

In 2016, Australians aged 55+ = **27.63%**<sup>2</sup>.

As individuals age, they may face declining physical health that can cause challenges in their ability to conduct traditional banking transactions.

The advancement of smart phone technology and banking services can enhance the lives of elderly Australians.

Therefore, this study aims to gain a better understanding of how elderly Australians can be encouraged to adopt MB.

The study constructs derived from,

### Models

**Unified Theory of Acceptance of Understanding Technology (UTAUT)**<sup>3</sup>

- Performance expectancy
- Effort expectancy
- Facilitating conditions
- Social influence

**Technology Acceptance Model (TAM)**<sup>4</sup>

- Perceived ease of use
- Perceived usefulness

to determine the behaviours and intentions of elderly Australians

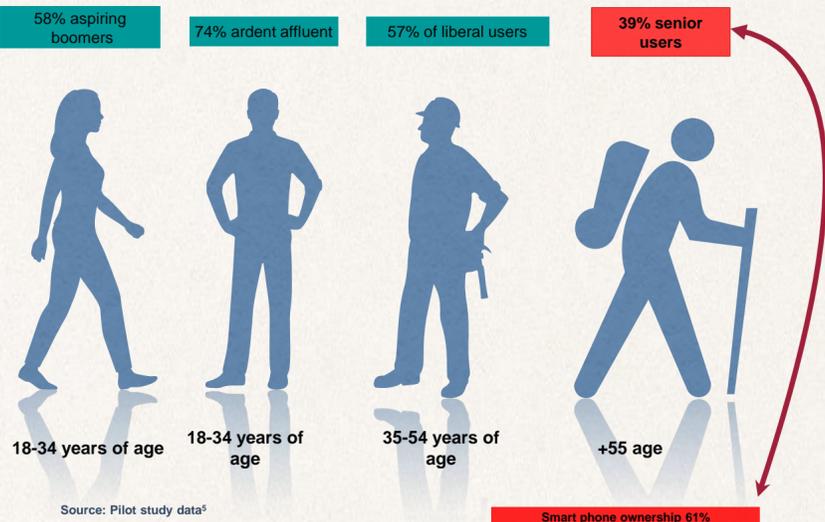
## Research questions



What are the critical factors that affect adoption and non-adoption of MB by senior Australians?

What strategies can be implemented to enhance the rate of MB adoption among senior Australians?

## Reality Check- use of MB



## Methodology

### Why Australia?

The ownership of **smart phones is high** in Australia. However, **adoption of smart phones by elderly Aussies for MB is low**. Australia has unique environment and diverse communities with cities, rural and remote areas.

**Setting: Australia**

**Unit of analysis: Senior citizens**

**Sample: Aged 55+**

**Type: Citizens of Australia**

**Data sources: Survey questionnaires**

comprised with 3 Sections and investigates,

1. current MB knowledge
2. Behaviours and intentions towards MB uses a **Likert scale** to give participants an option to select the most appropriate responses according to their situations.
3. Personal information (age, gender, marital status, occupation, income and educational background)

The constructs of the questionnaire is derived from previous studies which investigates UTAUT and TAM theories to achieve 70% of explanation power.

## Tool for analysis: SPSS

1. **Descriptive statistics** - to analyse demographic data
2. **Regression and correlation analysis** - to identify significant factors to improve MB adoption amongst elderly Australians.

## Significance



Technology can improve the quality of life and well-being of aging Australians.

### Services and practitioners:

Banks standards and guidelines will be improved, while introducing new professional standards. Encourage mobile phone companies and software application developers to improve their standards to meet customers' requirements

### Academic:

This research will add knowledge to existing technology acceptance theories.

### Public:

The research findings can improve MB services so that customers can have easier access to banking activities, thus enhancing their lives.

## Current findings - MB



### Declining health

- Fear of hackers**
- Lack of knowledge**
- Psychological decline**
- Limitations of technology**

Source: Pilot study data<sup>5</sup>

If banks are able to address the obstacles, and alleviate their concerns, MB adoption can be improved.

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