

# Internet banking adoption and usage in Zimbabwean commercial banks: An analytical approach.

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## ABSTRACT

Technology is revolutionizing the way business is conducted in every industry and commercial world. This study aimed at analysing the adoption and usage of Internet banking in Zimbabwe. It covered issues such as various banking services available through internet banking in Zimbabwe, factors influencing internet banking adoption in Zimbabwe, factors impacting negatively on customers' utilization of internet banking and banks' perceptions of internet banking. Questionnaires were administered to selected banking customers and staff of commercial banks using purposive and simple random sampling techniques. Findings from the study indicate that internet banking services in Zimbabwe include checking of balances and account activity, request for cheque book and same bank funds transfer. Lack of awareness on internet banking security, accessibility, lack of familiarity, age, gender, educational level and cultural resistance are some of the factors that affect internet banking adoption among customers. Internet banking is still in its teething stage and most of the banks do not offer full-fledged Internet banking though they have plans to do so. Bankers see Internet banking as a strategic opportunity that can be used to reduce transaction costs and enhance customer service delivery. It is therefore recommended that banks develop appropriate internet banking marketing strategies that maximizes value for customers and satisfaction in the long run.

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## 1 INTRODUCTION

Internet is transforming the banking and financial industry in terms of the nature of core products/services and the way these are packaged, proposed, delivered and consumed as reviewed by Sathye (1999). It is an invaluable and powerful tool driving development, supporting growth, promoting innovation and enhancing competitiveness in the financial industry as noted by Kamel (2005). Banks and other businesses alike are turning to Information Technology (IT) to improve business efficiency, service quality, attract new customers and subsequently profitability. Technological innovations have been identified to contribute to the distribution channels of banks and these electronic delivery channels are collectively referred to as electronic banking. Chang (2003) has it that the evolution of banking has

been driven by changes in the distribution channels as evidenced by automated teller machine (ATM), Phone-banking, Tele-banking, and most recently internet banking.

According to the internet banking comptroller's handbook (1999) cited by Ntsiful et al (2010), internet banking refers to systems that enable bank customers to access accounts and general information on bank products and services through a personal computer (PC) or other intelligent devices. Internet banking products and services can include wholesale products for corporate customers as well as retail and fiduciary products for individual customers. Liao and Cheung (2000) preached that, internet banking is the use of the internet as a remote delivery channel for banking services, including viewing and verifying transactions on accounts, checking balances, printing statements, monitor uncredited and unpaid cheques, and many more.

Before technology took the banking industry into the 21<sup>st</sup> century, all transactions were done in the banking hall, thus there was need for more 'brick and mortar' physical structures, overhead costs were high, and all transactions were to be done in the bank. Customers could not enjoy services during off-working hours but rather had to stick to the stipulated banking hours. This means that customers were inconvenienced since they had to wait for the bank to open in order to make transactions and also had to wait in very long queues at times. Thus there was need for banks to find new ways of conducting business in order to satisfy their customers more and to reduce their costs.

As internet access exceeded 1.596 billion people globally in the first quarter of 2009 according to the Internet World Statistics (2009), an increasing number of banks worldwide have increased their business investments in internet technology, driven by the expectation that the internet technology would provide better opportunities to establish a distinctive strategic position/advantage compared to other traditional forms of banking services as noted by Evans and Wurster (1997).

According to Liao and Cheung (2002), the development of the internet as a service and marketing channel has breached the geographical and industrial barriers, creating new products, services and market opportunities for all institutions.

A major driving force of adopting Internet banking is the potential for productivity gains that it offers. The change towards internet banking has been driven by four interlinked factors as echoed by Rahman (2007) which are: accelerated client demand, increased competition between banks, the threat of new levels of efficiency and the worldwide deregulation of the financial services market.

## **1.1 TECHNOLOGY AND BANKING IN ZIMBABWE.**

In Zimbabwe, the first visible form of electronic innovation in banks was in the early 1990s when Standard Chartered Bank and Central Africa Building Society (CABS) installed ATMs. Other forms of

electronic innovations that have found their way into Zimbabwean banks are Electronic Funds Transfer Systems (EFTS), Tele-banking, and recently internet banking.

The majority of commercial banks in Zimbabwe offer internet banking facilities. The launch of broadband internet by Econet, Africom and Powertel among others has expanded the availability of internet in Zimbabwe and it may mean acceleration and growth in internet banking.

While the rest of Southern Africa has been carried forward on the wave of internet banking, the development of the phenomenon in Zimbabwe has rather been slow, hampered mainly by the haemorrhaging effects of the past decade that made investments into new sectors difficult and unprofitable. However, internet banking revolution seems to have gathered pace since the adoption of multicurrency system in 2009.

Globalization and the need to upgrade services to internationally accepted levels have prompted Zimbabwean banks to offer internet banking services. In Zimbabwe the face of banking is fast changing and focus is now on new delivery channels, to improve customer service and give way to 24 hours daily access to banking services. With internet banking customers are supposed to transact from the comfort of their homes and offices instead of visiting the banking halls.

The Zimbabwean economy has been suffering from liquidity squeeze ever since dollarization in 2009 and these liquidity problems can be minimised by use of digital money as well as plastic money. The benefits of a cashless society to the transacting public go beyond convenience and safety associated with the payment system. The present tight liquidity, coin shortages and the need for financial transparency can be solved through the adoption of plastic money as financial transactions can be completed without the involvement of tangible cash, as noted by Chishamba (2010). It is believed that the internet banking will help banks to cut costs, increase revenue, and become more convenient for customers, according to Halperin (2001).

However, low broadband internet penetration, customers' preference for traditional branches, fear of online threats/scams, lack of basic knowledge of computers and the high cost of internet accessibility are some of the problems threatening the growth and usage of internet banking in Zimbabwe.

## **1.2 THE EXTENT OF INTERNET BANKING USAGE IN ZIMBABWE**

In view of the extent of internet banking adoption, a majority of the banks in Zimbabwe have adopted this technology and are offering the service to reach and serve their clients (corporate and individual customers). Despite a seemingly good adoption rate, the extent of usage has remained relatively low as only few customers are using the facility. The main usage of e-banking in Zimbabwe has been for checking account balances, payment of bills and funds transfers. The adoption process of e-banking by

banks was fraught with several challenges such as compatibility with legal systems, cost of implementation and security concerns among others as lamented by Dube et al (2009).

Reports from World Internet Statistics (June 30, 2012) suggest that the rate of internet adoption in Zimbabwe is fairly high (ranked 12 in Africa) and is increasing with every passing year. Since Econet launched its mobile broadband package in the last quarter of 2010, the uptake has been exponential. That is, more than 30% of the mobile operator's subscribers now have internet on mobile phones, and the number is growing on a daily basis.

With reference to Dube *et al* (2009), despite the increase in Internet usage by Zimbabwean citizens, and the high mobile penetration rate as indicated above, the adoption of Internet banking by Zimbabwean customers remains low and the reasons why Internet banking is low in Zimbabwe are not yet clear.

## **2. EMPIRICAL AND THEORETICAL LITERATURE**

Garau (2002) noted that the promise of ICTs in the banking sector has been seen in terms of its potential to reduce cash crisis, increase customer base, reduce transaction costs, improve the quality and timeliness of response, enhance opportunities for advertising and branding, facilitates self-service and service customization, and improve customer communication and relationship. Most banks in developed and some in developing parts of the world are now offering e-banking services with various levels of sophistication. However, most African banks seem to be content with having a web presence with only a few of them making strides towards full-fledged e-banking applications. Since the mid-1990s, there has been a fundamental shift in banking delivery channels toward using self-services channels such as internet banking services.

### **2.1 INTERNET BANKING ADOPTION AND USAGE IN OTHER NATIONS**

The adoption of Internet banking in developed countries (like the United States (U.S) and Australia) and developing countries like Malaysia is growing. Internet banking services was first available in the U.S in 1995, Australia in 1999 and in Malaysia in 2000. According to Yuen et al (2010), as of the year 2007, 16.6% of the 307 million U.S population, 42% of the 21 million Australia population, and 16% of the 25 million Malaysia populations, were Internet banking service users. Internet banking services have been available in Bangladesh since 2001. As of 2007, 29 out of 48 banks have offered online financial services according to Rahman (2007).

In the US, the Internet era in the banking industry started in 1995 when Wells Fargo first allowed its customers to access account balances online and the first Internet-only bank, Security First Network Bank, opened as noted by Bradley and Stewart (2003). Ever since then, banks have steadily increased their presence in the Web. A major driving force of adopting Internet banking is the potential for productivity gains that it offers. On one hand, the internet has made it much easier for banks to reach

and serve their customers, even over long distances. On the other hand, reduces cash crisis, provides cost savings for banks to conduct standardized, low-value-added transactions (for example; bill payments, balance inquiries, account transfer) through the online channel and paperless environment.

## **2.2 THEORIES OF INTERNET BANKING ADOPTION**

There is a number of internet banking adoption theories and the major ones are articulated below:

- ◆ Theory of planned behaviour (TPB)

This theory provides a comprehensive way of understanding factors that can influence a person's decision to use information technology. It postulates that the intention to adopt information technology is determined by: attitude and perceived behavioural control as postulated by Sadeghi and Farokhian, (2011)

- ◆ Technology Acceptance Model (TAM)

One of the most utilized model in studying information system acceptance is the Technology Acceptance Model (TAM) as viewed by Davis *et al.*, (1989) and Mathieson, (1991) in which system use (actual behaviour) is determined by perceived usefulness (PU) and perceived ease of use (PEOU) relating to the attitude toward use that relates to intention and finally to behaviour.

- ◆ Technology Readiness (TR)

Developed by Parasuraman (2000), technology readiness (TR) models consumers' personality traits and beliefs associated with technology usage. More specifically, it measures consumers' propensity to embrace and use new technologies.

- ◆ Service Quality Model (SERVQUAL)

SERVQUAL, according to Parasuraman, et al (1991) is one of several theories that have had considerable applicability in Information Systems (IS) and Internet related research. SERVQUAL (Service quality) is basically an operational instrument used in measuring customer perceptions of service quality along five key dimensions: tangibles, reliability, responsiveness, assurance and empathy.

## **2.3 APPLICATION OF INTERNET IN FINANCIAL INSTITUTION**

There are mainly four types of internet use in financial institutions according to Li & Zhong, (2005) which are;

- 1) Information presentation: it is when a financial institution uses the internet to present its products, services, branch locations and hours to the public. This type, not only announces that

the bank exists, but also provides a kind of electronic brochure that informs the customers about facts concerning banks.

- 2) Information presentation with two way communication: it is when the client sends an electronic mail or fills a feedback form to the bank, requesting further information.
- 3) Interaction with users: it is when there is quick exchange of information between the user and server because the former is data stored in the databases of the financial institution. Information on the interest rates for loan and deposit products can be featured but with the added ability for Web site visitors to complete loan and new account applications on-line. In this way, the bank directly receives the applicant's information.
- 4) Transaction banking: this includes various financial transactions, such as opening and closing of accounts, paying bills, securities transactions, money transfers, implementation and deletion of standing orders, applications for loans or insurance acquisitions, credit card applications, financial planning services, information for tax purposes.

## **2.4 DETERMINANTS OF INTERNET BANKING ADOPTION AND USAGE IN DEVELOPING COUNTRIES**

Mahajan et al (2002) identified that lack of awareness, uncertainty about the benefits of e-banking, concerns about lack of human resources and skills, set-up costs and pricing issues, and concerns about security, are the most significant barriers to e-banking by customers and suppliers. Concerns about security, legal and liability aspects, high costs of development, limited knowledge of e-banking models, are also other factors.

Organizations adopting ICT and e-banking in developing countries face problems such as lack of telecommunications infrastructure, lack of qualified staff to develop and support e-banking sites, lack of skills among consumers needed in order to use the Internet, lack of timely and reliable systems for the delivery of physical goods, low bank account and credit card penetration, low income, and low computer and Internet penetration, in general as claimed by Bingi, et al (2000).

## **2.5 BENEFITS OF INTERNET BANKING**

By offering internet banking services, traditional financial institutions seek to lower operating costs, improve customer banking services, retain customers, reduce their branch networks and downsize the number of their service staff according to Parisa (2006). With the advent of the Internet, the communication and operational costs incurred in any business are reduced. The specific benefits of Internet banking are discussed as follows:

- ◆ *Cost reduction-* With reference to Cheng et al (2006), banks can benefit from lower transaction costs as Internet banking requires less paper work, less staff and few physical branches hence, limiting overheads associated with bank staff and bank branch costs.

- ◆ *Improved service quality for banks and enhanced customer satisfaction and loyalty* - Al-Sukkar and Hassan (2005) support the view that technology can improve service quality for banks and enhance customer satisfaction and loyalty as clients can access services in the comfort of their homes and offices. According to Nath et al (2001) provision of high quality services may also lead to high profit customers for the bank.
- ◆ *Convenience the customer*- internet banking offers customers more convenience since the customer does not need to visit the banking hall when making transactions and there are no time restrictions as to when transactions can be made.
- ◆ *Long term survival of bank*- Al-hawari and Ward (2005) indicate that internet banking is positively related to customer retention, better competitive edge, higher returns and this can lead to the long term survival of the bank.

## **2.6 CHALLENGES OF INTERNET BANKING ADOPTION AND USAGE**

The challenges are double-pronged, that is, those constraints peculiar to customers and those which hamper commercial banks.

### **2.6.1 Challenges of Internet banking to customers**

Some customers are hesitant to use internet banking because of problems they see in transacting over the internet. Such challenges includes;

- ◆ *High Cost of Internet Services*-The high cost of internet services and products is leaving majority of less developed nations out of the enormous opportunities and benefits that the technology offers in education, government, commerce and research as echoed by Nancy et al (2001).
- ◆ *Security*- Security is a problem for many user of internet banking. The user names and passwords are often complex. This is good, for the most part, because no one else would guess them. However, it can be a problem if the customer cannot remember them. The customer might not be able to access their account when they want to, without going through an intense security procedure.
- ◆ *Fraud*- Sohail and Shanmugham (2002) in their empirical investigation in Malaysia on e-banking cited that Internet banking, like any other business arena, is susceptible to fraud. Phonies abound in every type of business, and Internet banking is no different. One kind of fraud is done on fake bank websites. These are look-alike sites that imitate your internet banking website. They sometimes pop up when there is a slight misspelling of your bank's web address. If care is not taken, a customer can type in his username and password before he realizes he is not connected to his own bank at all.

- ◆ *Uptime of Internet Banking Services*- The problem happens when the bank's computer system has an extremely high traffic volume. Customer transactions may not be made in a timely manner. There can be other failures in the communications of banks that will cause errors or lags. If a computer virus ever get into the bank's computers, it could be a real problem. Clearing up the chaos might take a while.
- ◆ *Expensive and Unreliable Internet Connection*- Extremely high internet connection costs and frequent breaks in this service affect negatively the use of internet banking services.
- ◆ *Lack of specific laws and regulations to govern internet banking*- Larpsiri et al (2002) argue that it is not clear whether electronic documents and records are acceptable as sufficient evidence of transaction. They also point out that the jurisdiction of the courts and dispute resolution procedures in the ease of using the internet for commercial purposes are important concerns. Disputes can arise from many sources. For instance, website is not a branch of the bank. It is difficult for courts to define the location of the branch and decide whether they have jurisdiction as lamented Speece (2003).
- ◆ *Technophobia*- With reference to Yuen et al (2010), technophobia is the fear or dislike of advanced technology or complex devices, especially, computers. There are still quite a number of people (especially the old ones) who do not use internet banking because they feel that it is too difficult to learn.

### **2.6.2 Challenges of Internet banking to Banks**

Cited in Nwobodo (2011), Ron Webb (The Manager Paynet E-company), in his report on virtual conference on E-banking for the poor, stated some draw-backs that most internet banks do face in the case of adopting and implementing the new technology. These are the key constraints as regarding e-banking:

*Vision / Inertia*- The fear of uncertainties is an everyday trauma that sets in when the idea of trying to make a change begins. So it becomes very difficult to let lose an already laid old method of doing things.

*Infrastructure*- It is obvious that lack of consistent, inexpensive data communications and electricity is a strong setback to adopting e-banking especially in less developed countries, like Zimbabwe. These constraints reduces the rate at which inspired users would have been using e-banking.

## **3. METHODOLOGY**

The study employed qualitative method which accurately describes, decode and interpret the meanings of phenomena occurring in the normal social contexts of the research. The population included all the 15 commercial banks regardless of size or availability of internet banking services. Hence, respondents were drawn from these banks so as to come up with reliable answers to our research questions.

In sampling customers, the stratified technique was used to select the bank customers, whereby users and non-users of internet banking were grouped to get unbiased views. A total of five hundred customers were then randomly approached to find out if they accessed internet banking services (with each customer having an equal chance of being selected).

In picking respondents from the banking staff, purposive sampling technique was used. The branch managers and any other two bank officials were approached. This was to make the information collected from the field representative enough to draw conclusions.

### **3.1 DATA SOURCES**

The researchers used both the primary and secondary data in the study. The primary research tools used involve questionnaires and interviews while the secondary data was collected from published information especially on the internet, which included websites with information on Internet banking services and articles on Internet banking.

## **4. DATA ANALYSIS AND RESULTS INTERPRETATION**

A total of fifty (500) questionnaires were distributed to the bank customers, however, 450 were received. All the five (50) questionnaires sent to the staff of the bank were received. Only 10 out of the 15 targeted interviews were successful as other banking staff were too busy on corporate business. A response rate from questionnaire was 90%, though only 85% were usable for analysis.

### **4.1 DEMOGRAPHICS AND INTERNET BANKING USAGE**

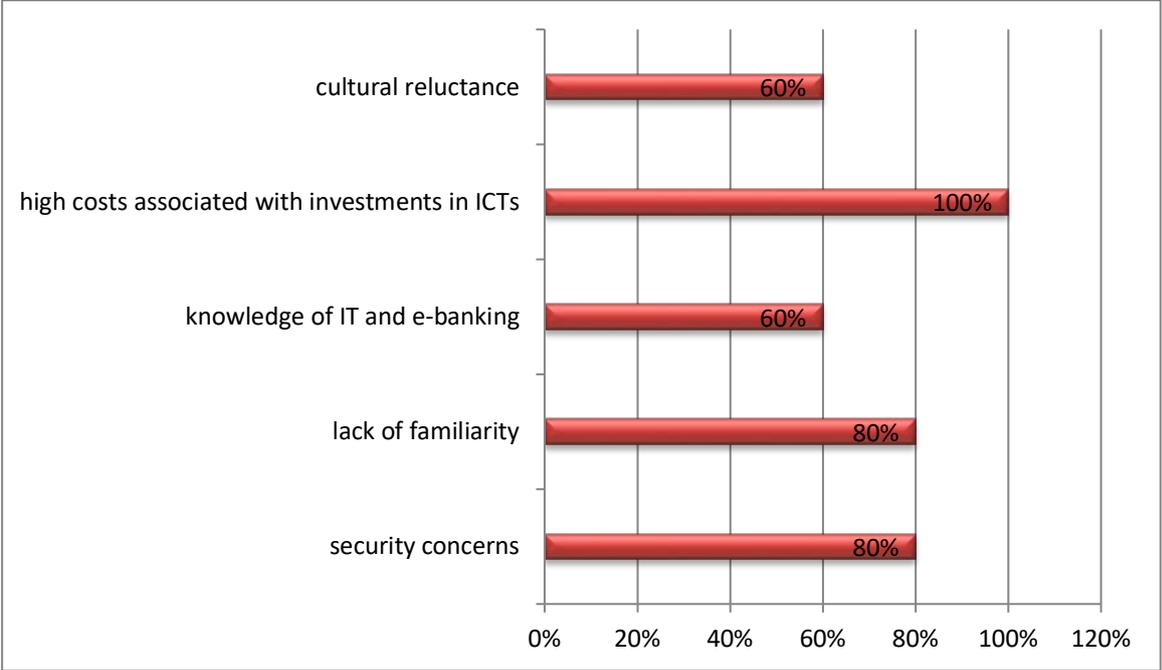
*Gender and internet banking usage-* The results showed that about 28% of males use internet banking whilst 11% of women use Internet banking. This disequilibrium might be due to different risk tolerance level, which is likely to be higher among males than females generally.

*Educational background-* From the clients who use internet banking, 2% had primary level, 15% had secondary education and 83% had tertiary education. Thus educational level determines the usage of Internet banking. That's, there is a positive correlation between these two variables.

*Age and Internet banking use-* Age seems to affect Internet banking adoption in Zimbabwe. Among the internet bank users, age-group of 26-35 had the highest percentage of internet users with 54% followed by the 36-45 age group with 30.3%, followed by the 16-25 age group with 10.7% and lastly the above 45 group which scored 5%. Possibly because the 26-35 age group is composed of young and working group whilst the 16-25 is composed mainly of students and dependents.

### **4.2 BANK-WIDE CHALLENGES OF INTERNET BANKING ADOPTION IN ZIMBABWE**

The following aspects were indicated by bank staff as challenges to internet banking; lack of familiarity, cultural reluctance, security concerns, knowledge of IT and e-business, and high cost associated with ICT investments. A compilation of responses from bank officials are as follows, 80% respondents indicated lack of familiarity, 60% also ticked cultural reluctance, 80% security concerns, 60% knowledge of IT and e-business, and 100% indicated high cost associated with ICT investments as shown in the figure 1 below.



**Figure 1: some challenges affecting internet banking**

As can be seen, all the factors were cited as the constraints in usage of internet banking from the banking staff’s perspectives.

**4.3 CUSTOMER-RELATED CHALLENGES OF USING INTERNET BANKING.**

Responses from customers who do not use Internet banking indicated that the main challenges which hinder them from adopting and utilizing Internet banking are; risk, accessibility, and lack of familiarity as discussed below.

*Security of Internet banking* - The results shows that 26% of those who do not use Internet banking strongly agree that it is risky or not secure to do money transactions over the Internet, 42% agree, 23% neither agree or disagree, 6% disagree and only 3% strongly disagree. So the largest percentage of the customers perceive that it is of high risk to make financial transactions over the internet. The results

concur with Sathye's (1999) results of the study of adoption of Internet banking by Australian consumers where security was significant in determining internet banking usage.

*Access to Internet banking* - The figure 4 below shows that 23% of customers who do not use Internet banking at all, strongly agree that access to internet is the hindrance, 29% agree, 6% neither agree nor disagree and 16% strongly disagree. Therefore the results portray that 52% perceive that access to Internet is the hindrance while 6% neither agree nor disagree and 42% disagree that Internet access is the problem

*Lack of familiarity in using Internet banking technology* - 19% of the clients who do not use internet banking strongly agree that lack of familiarity with Internet banking technology/resources is the hindrance, 26% agree, 13% neither agree nor disagree and 26% disagree while 16% strongly disagrees. This depicts the results of the study as 45% of the customers perceive lack of familiarity with internet banking resources as a hindrance while 42% disagrees and 13% neither perceive lack of familiarity to Internet banking resources as a hindrance.

So the researchers can safely rank the hindering factors starting the most significant as follows:

- i. Customers perceive that Internet banking is risky or not secure (in other words there is lack of awareness of Internet banking security and use)
- ii. No access to Internet banking resources
- iii. Lack of familiarity with Internet banking technology
- iv. Not user friendly website designs
- v. Cultural resistance (resistance to change)
- vi. Education and age
- vii. Gender

#### **4.4 INTERNET BANKING AND ITS OPERATIONAL VALUE**

Operationally, it is a tool in the service delivery arsenal of banks and improves customer service delivery. The introduction of internet banking has reduced the cost of maintaining customer accounts given that the use of passbooks, withdrawal slips and other stationary have significantly reduced. This assertion was confirmed by bank officials' responses to questionnaires and interviews even though they were reluctant to give financial figures to support it.

Table 1 below shows responses to questions aimed at assessing the operational value of internet banking to banks in Zimbabwe;

**Table 1: Operational value of Internet banking**

<b>Perception</b>	<b>Yes</b>	<b>No</b>	<b>%Yes</b>
Benefits outweigh the costs	50	00	100%
Allows banks to increase customer base	20	30	40%
Improves customer service delivery	50	00	100%
Lowers transaction costs	40	10	80%
Offers opportunities to provide additional services	40	10	80%
Increases attempted fraud	30	20	60%
Customer accounts would be less costly to maintain	20	30	40%

All responses from staff the banking staff reported that the benefits of Internet banking outweigh the associated costs. Also, the bank stated benefits in the following areas: increases in the customer base, improvements in customer service delivery, lower transaction costs which confirms Pikkarainen et al (2004)'s assertion that banks get notable cost savings by offering online banking services, and opportunities to offer additional services such as insurance, loan repayments, bill payment.

#### **4.5 HOW INTERNET BANKING AFFECT CUSTOMERS IN ZIMBABWE.**

As indicated in the table below, 80% of bank officials thought that Internet banking significantly benefits their customers. Also, about 60% believed that it would reduce the frequency of customer visits to a physical bank branch which confirms Howcroft et al's. (2002) assertion that time, cost savings and freedom from place have been found the main reasons underlying online banking acceptance. The percentage of respondents who agreed that Internet banking would lead to a reduction in customer - banker relationship was 20%.

**Table 2: Effect of Internet banking on the on the Bank's customers**

<b>EFFECT</b>	<b>TRUE</b>	<b>FALSE</b>	<b>% TRUE</b>
Significantly benefits customers	40	10	80%
Reduces the frequency of customer visits to a physical bank	30	20	60%
Reduces customer-banker relationship	10	40	20%
Customers mind paying a monthly fee for Internet banking	10	40	20%
Access to accounts 24/7 is important to customers	50	00	100%
Internet banking security is concern of our customers	40	10	80%

As shown in Table 2, all 50 responses received from bank staff (100%) mentioned that access to accounts 24/7 is important to their customers, 20% reported that their customers would not mind paying a monthly fee for Internet banking. On Internet banking security, 80% agreed that it is a concern of their customers.

#### **4.6 CUSTOMERS' SATISFACTION LEVEL OF INTERNET BANKING SERVICE IN ZIMBABWE**

When customers of internet banking were asked to rate their satisfaction levels of the internet banking service they use, the majority were only satisfied. A compilation of the results show that 24% are very satisfied, 39% are Satisfied, 33% are somewhat satisfied, 4% are unsatisfied, and 0% very unsatisfied as can be seen in the chart below.

#### **5. CONCLUSIONS AND RECOMMENDATIONS**

The utilization of Internet banking in Zimbabwe by the commercial bank customers is 20% which is way below half. The significant factors which hinder customers from adopting and using Internet banking are; security concern, resistance to change, lack of familiarity, high costs associated, education, age and gender which concurs to conclusions made by Maholtra and Singh (2007), Corrocher (2002), Sullivan and Wang (2005), Hannan and McDowell (1984)

The internet banking services provided by banks in Zimbabwe generally cover information-push where customers can access banking information, information download where customers can access account information and simple transactional banking involving fund transfer. Thus, it can be deduced that the future holds a lot of prospects for internet banking in Zimbabwe.

The challenges hindering banks from adopting and using of internet banking include; the problems of internet connectivity, high cost of implementation, security concerns for customers, perceived customer readiness and other problems they encounter.

Against the background of highlighted findings and conclusions, the following recommendations are made;

- ◆ The banks are encouraged to create awareness of Internet banking security and use.
- ◆ Banks might consider target marketing (for example targeting the working class)
- ◆ The banks are recommended to participate in training projects and supporting public Internet access points
- ◆ Ensure constant availability of internet service - banks and internet service providers are recommended to ensure that the internet banking service is always available. Periodic routine maintenance and replacement of faulty equipment must be prompt to prevent service disruptions.
- ◆ Government intervention in technology infrastructure- the government of Zimbabwe has a lot to do for the improvement of technology in the country so that bank customers have easy

and reliable access to Internet. This means that unless specific measures are employed at a national level the activities taken by banks might not be significant. Such measures includes:

- i. Identifying and initiating suitable steps to remove the legal and regulatory barriers to e-commerce in general and Internet banking in particular like speeding up the process of granting licences to telecommunications companies.
- ii. Inviting more players in the telecommunications industry so that there is more competition on internet providers.
- iii. The government can regulate effectively, costs of telecommunications services so as to encourage and motivate customers to use internet frequently which will in turn cause them to consider internet banking.

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