

Abstract

To promote the spread of electronic commerce on the Internet, a stable and secure payment system is a must. It enhances the accessibility of a large number of customers to a wide variety of information and services, and greatly eases remote payments. Therefore, it is important to support change in moving from the traditional payment method to the new one, Internet Payment System (IPS). Most important payment tools include credit cards, cash, and checks. The key idea is plantation of traditional methods on the Internet maintaining the characteristics of traditional methods.

Therefore, in this thesis, the researcher has reviewed current electronic payment systems on the Internet and investigated factors that can affect the decision making process of Internet users. Three main objectives are: (1) to identify general characteristics of Internet users; (2) to investigate key factors that affect the IPS adoption; and (3) to suggest the ways to improve IPS adoption. Based on adoption process model (Roger, 1995) and Theory of Reasoned Action, TRA (Ajzen and Fishbein, 1980), this research adopted an exploratory approach using a mailed survey design of self-administered questionnaire. The analysis includes use of Logistics Regression so as to predict the probability of IPS adoption. The correlation analysis were used to measure the relationship between dependent variable, behavioral intention, and the other independent variables: socioeconomics, communication behavior, relative advantage, compatibility, complexity, observability, and trialability.

Data analysis and finding provide four major parts. The first section is the summary of the characteristics of the respondents. The second section is the summary of the problems of an Internet Payment System (IPS) that was identified by the respondents. Section three is the summary of the Correlational analysis. Section four, will summarize the analytical results of Logistics Regression.

The research results show that only income and relative advantage variable had a relationship with the behavioral intention. The analytical results of logistics regression show there are five variables: (1) income; (2) communication behavior; (3) relative advantage; (4) compatibility; and (5) observability, had affected to the behavioral intention of IPS adoption. In addition, the predictable from those five variables also shown the probability of changing the behavioral intention of IPS at 50

percent base on the change of those five variables at -0.013 unit. The research results have many beneficial for developing awareness and increase the behavioral intention of Internet Payment System (IPS) adoption. The results can help the web merchants or the web owner know their own customer: (1) profile; (2) problem of the system; and (3) customer needed. Therefore, the web merchants or the web owner can develop their service to support exactly need of customer and also increase the confidential of Internet users regarding the Internet Payment System (IPS) as well.

