

# The Relationship Between Customers' Tendency to Risk Avoidance and Preferring Online Banking Services<sup>1</sup>

## Müşterilerin Riskten Kaçınma Eğilimi ile Online Bankacılık Tercihleri Arasındaki İlişki

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### Abstract

The purpose of this study is to reveal that the relationship between the risk avoidance and the use of the Internet banking. For this reason, data collected by convenience sampling from 394 the Internet banking customers. Data was analyzed by Structural Equation Model in Smart PLS 2.0 program. The main findings of the study are: When the content of the Internet banking sites of banks improves and ease of use of the Internet banking increases, risk aversion is reduced. Besides, when risk avoidance decreases, trust, duration and frequency of the Internet banking increases. Results of this study have some implications for academic, banks managers and other policy makers.

**Keywords:** Trust, The Internet Banking, Service Marketing, Risk Avoidance, Consumer Behavior

### Öz

Bu çalışmanın amacı, riskten kaçınma ile the Internet bankacılığının kullanımı arasındaki ilişkiyi ortaya koymaktır. Bu sebeple veriler 394 the Internet bankacılığı müşterisinden kolayda örnekleme yöntemiyle ile toplanmıştır. Veriler Smart PLS 2.0 programında Yapısal Eşitlik Modeli ile analiz edilmiştir. Çalışmanın ana bulgusu bankaların the Internet bankacılığı sitelerinin içeriği arttıkça ve the Internet bankacılığının kullanım kolaylığı arttığında riskten kaçınmanın azalmakta olmasıdır. Ayrıca riskten kaçınma azaldığında the Internet bankacılığına duyulan güven, kllanım süresi ve sıklığı artmaktadır. Bu çalışmanın sonuçlarının, akademisyenler, banka yöneticileri ve diğer politika yapıcılar için bazı yol gösterici etkileri bulunmaktadır.

**Anahtar Kelimeler:** Güven, İnternet Bankacılığı, Hizmet Pazarlaması, Riskten Kaçınma. Tüketici Davranışı

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## Introduction

In highly competitive financial markets the efficient and effective operation of banks is vital for survival and growth (Kaya et al., 2010). Technology has been increasingly become an instrument to establish competitive advantage for banks not only in terms of developing and offering new products and services but also in terms of improving various processes. The appeal of the The Internet is increasing day by day and the banks encourage the use of The Internet to deliver their products and services to their customers. As a result of these developments, this type of banking is begun to be called as online banking. Online banking is primarily considered by banks as a means of increasing market share, not making profit (Driga et al., 2009). Technological developments have accelerated commercial life and created new jobs and new opportunities (Koç, 2017). As a result, more people have begun to take part in business life. The increase in the number of banking transactions and customers started to increase the costs of banks. Banks invested on computer systems and software in order to provide speed and cost advantages in their transactions and reach more qualified information processing facilities. Therefore, banks had the opportunity to reach more customers with less physical conditions.

By the end of 2017 according to the data of Turkey Statistical Institute (TSI), 18 age and older than 18 population of Turkey with 80.81 million of total population is around 57.75 million. According to the data of The Banks Association of Turkey (BAT) (2018) the number of individual customers registered to the online banking system is 53.65 million by the end of 2017. Accordingly, 92.9% of the adult population is registered to the system. The number of customers who logged in the system at least once in the last year is 21.80 million and the number of customers who logged in the system at least once in the last three months is 11.86 million. Accordingly, the rate of active online banking customers (11.86 / 53.65) is 22%. While the number of corporate customers is 3.22 million, the rate of active use of these customers is 39%. By the end of 2017, the number of financial transactions through online banking is 137 million and the sum of these transactions is 1.32 trillion TRY (360.82 Billion USD). 73% of the transaction volume consists of money transfers and 18.9% consists of investment transactions.

The purpose of this study is to investigate whether the Internet banking features have an effect on customers' risk avoidance behaviours and customers' risk avoidance levels have an effect on online banking and the use of online banking.

## 1. Theoretical Framework

### 1.1. Risk Avoidance

Risk avoidance can be defined as preferring a more reliable alternative option instead of a risky option (Koç and Boz, 2017). Main characteristics (Özgül and Özgüven, 2011:242-246) of the people who avoid risk is to not to break the existing habits, not to adapt to new situations and to feel no confidence to new conditions (Koç, 2018). These people feel themselves more comfortable under the conditions they are accustomed to and need exact information to engage in new activities. As a personality feature, risk avoidance which is shaped by experiences or other social psychological factors (Boz et al., 2017a) can be appreciated as one of the most important internal information sources for online banking users to appeal for the decision (Yeniçeri et al., 2012: 147; Koç, 2016).

Personalities of customers are expected to affect the trust for online banking and the use of online banking. Accordingly, it is expected that the customers with high risk avoidance tendency will trust in online banking less and their use of online banking level will be low. To avoid the use of online banking pushes these customers to transact in bank branches.

### 1.2. The Factors Influencing the Level of the Use of Online Banking

Technological developments have important effects for bank customers. In this way, bank customers have the opportunity to do most of their banking transactions via mobile and online banking in any environment at any time of the day. The provided benefit is an important factor that triggers the use of online banking.

We can list the factors affecting the use of online banking as (i) usefulness and ease of use, (ii) cost-benefit relationship, (iii) content features and, (iv) risk perception. When the literature is analyzed, the use of online banking is rather associated with customers' use of technology. The first model concerning the level of customers' use of technology was established by Davis (1989). Davis (1989) modelled how customers accepted the technologies through the Technology Acceptance Model (TAM) that he established. TAM emphasizes that perceived ease of use and usefulness are the main determiners of the use of technology.

In addition to the usefulness and ease of use indicated by TAM by Davis (1989), cost advantage and content features were added to scope of this study. Usefulness and ease of use, cost and understandable content features of online banking services will affect the level of the use of customers positively. Öz (2009) emphasizes that risky perception of online banking and the lack of information affect the use of the Internet negatively. For that reason, it is important to design the

content features of web pages to the extent that customers can understand them more easily. Practical web sites, non-suspicious, understandable and functional content of the pages will build a positive effect for the popularization of online banking.

There are some risks in online banking for the customers such as phishing and inappropriate interactions. For such reasons, customers can be reluctant for the use of online banking. In this case, the features of the online banking websites and services of banks can be regarded as a factor which shapes the customers' risk taking behaviours. The ease of use of the web page, the cost advantage provided by online banking and the presented content should be designed to reduce the customers' risk avoidance behaviours. It is expected that a risk avoidance reducing web design will indirectly affect online banking preferences.

### 1.3. Trust and the Use of Online Banking

Although the concept of trust is defined in many different aspects, the widest definition was made by McCole (2002), who reviewed the related literature. McCole (2002) listed the factors of trust as ten titles. These are availability, competence, consistency, discreteness, fairness, integrity, loyalty, openness, promise, and fulfillment. A positive relationship is expected between the increase in trust to online banking and the use of online banking.

The level of the use of online banking can be considered as two parts as the duration of use and the frequency of use. The costumers using online banking for a long time are especially the people who understand the benefits of online banking, know how to use it, have information about the risks of online banking and tend to take risks. These people are the ones who feel the effects of online banking on their financial lives. The frequency of use is related to making financial transactions in daily life through online banking without type and number distinction. Suh & Han (2002) identified that trust in online banking also had a positive effect on accepting it in addition to ease of use, usefulness, benefits and content features.

When the literature is analyzed, we can see the studies about online banking on the field of acceptance of online banking (Liao, et al, 1999; Cheng, et.al, 2006), customers's attitudes and preferences (Liao & Cheung, 2002; Sohail & Shanmugham, 2003), trust (Suh & Han, 2002; Smith, 2006), service quality (Chen et al, 2012; Ho & Lin, 2010; Santouridisa et. al, 2009; Koç, 2006). The studies on the effects of the level of customers' risk avoidance on the use of online banking (Yeniçeri et.al. 2012) are very limited.

We can see very few studies analyzing the relationship between online banking features and risk avoidance and risk avoidance and online banking preferences. This study will firstly reveal the effect of online banking features on the level of customers' risk avoidance, then it will identify the effect of the level of risk avoidance on the use of online banking. This study will contribute to this deficiency.

## 2. Literature Review

Banks encourage the use of online banking in order to reduce their costs and provide faster services. In some cases they get low service charges. However, it is observed that use of online banking has not reached to sufficient level. For that reason, it is seen that individuals still spend many of their times in banks for their transactions. Many studies on the reasons why customers do not use online banking (Usta, 2005; Öz, 2009; Berger & Gensler, 2007; Yiu, et. Al., 2007; Şiker, 2011; Asmi & Ishaya, 2012) present common reasons. Usta (2005) in his study identified that the lack of the information about the security problems, ease of use problems and benefits of online banking had an important role among the reasons why bank customers did not use the online banking. Asmi & Ishaya (2012) in their study with the individuals over 55-year-olds found that perceived usefulness and ease of use positively affected the attitudes towards online banking. Similar to Usta (2005) findings, Öz (2009) states that young, educated and high-income individuals prefer online banking more. In addition, risky perception of online banking and lack of information distract customers from online banking. According to Berger & Gensler's (2007) study, young people are more tended to online banking and online banking customers are more educated. Online banking customers are more willing to accept certain risks than the ones who do not prefer online banking. The Internet banking customers are in strong contact with officials at bank branches as well as being well-educated, independent risk-taking decision-makers.

Yiu, et. al. (2007) in their study found a statistically significant positive relationship between usefulness, ease of use, personal innovation and perceived risk and acceptance of online banking. Lee's (2009) study also supports Yiu, et. al.'s (2007) findings. Al Somali et al. (2009) identified that education, trust and resistance to change had an important effect on the use of online banking attitude as well as perceived usefulness and ease of use. In studies such as Singhal, & Padhmanabhan, (2008) and Fonchamnyo (2013) it was indicated that factors such as perceived security, trust, service cost and accessibility had a significant effect on customers' attitudes and acceptance of online banking. Kim et al. (2011)

also identified that perceived security in online shopping increased the perception of trust and this increased customers' loyalty. Eriksson, et.al. (2005) also stated that the perceived benefit was the key role in the acceptance of online banking. Wang, et.al. (2003) identified that perceived ease of use and benefit, components of TAM model, affected the behavioural intention positively.

Nui Polatoglu & Ekin, (2001) found that Turkish customers found online banking reliable and they accessed to financial transactions and obtained cost savings. Contrary to other studies, Şıker (2011) in his study identified that the variables of perceived risk and social effect did not have an important effect on the acceptance of online banking, but the effect of usefulness, ease of use and web site features on the acceptance of online banking were statistically significant. There are studies that address the effects of risk avoidance behaviour on different fields. We can see that these studies are in the fields such as the effect of risk avoidance on customers' purchasing decisions (Ang, 2001; Özgül & Özgüven, 2011), technology, online shopping (Yeniçeri et al., 2012) and online banking (Berger & Gensler, 2007).

Yeniçeri et al. (2012) revealed that customers with high risk avoidance behaviours avoided from unplanned online purchases as a result of their high risk perception levels. Ang (2001) and Özgül & Özgüven's (2011) studies are related to consumers' purchasing behaviors of in times of crisis. Ang (2001) states that individuals with a high level of risk avoidance are more affected by the economic stagnation than those who avoid risks less. Özgül & Özgüven (2011) revealed that the individuals with a high level of risk avoidance tended to cheaper and hand-made products instead of ready-made products in economic stagnation periods. Berger & Gensler's (2007) study, one of the rare studies analyzing the use of online banking and risk avoidance, indicated that people who could take more risks used online banking more. Asmi & Ishaya's (2012) study revealed that the resistance to change in individuals over 55 years negatively affected attitudes towards online banking. That being said, Boz et. al. (2017b) investigating the effect of AB personal characteristics on online banking found that the customers with B type of personality trusted in online banking more.

There are positive relationships between trust and the use of online banking level. According to these studies (Usta, 2005; Sathye, 1999; Suh & Han, 2002; Smith, 2006; Chung & Kwon, 2009) the increase in trust level increases the use of online banking. Similar to Suh & Han (2002) Özen (2014) in his study stated that trust in banks by customers, the importance to banking services and the obtained benefit increased the loyalty to banking. Ustasüleyman, T., & Eyüboğlu, K. (2010) found that perceived usefulness had a positive effect on trust and also trust, perceived usefulness, perceived ease of use and perceived web security variables increased the intention for use. As far as it is analyzed in the literature, there is no study that addresses the relationship between the Internet banking features, risk avoidance and use of online banking level together. Therefore, this study is expected to contribute to this deficiency.

### **3. Methodology**

#### **3.1. The Purpose of the Study**

The Internet banking (IB) has a many advantages to the banks. One of the most important advantages of the Internet banking for banks is to offer a wide branch network. Besides this, the Internet banking offers important advantages for the customers. These advantages include time savings, accessibility and transaction costs. On the other hand, customers may hesitant to use the Internet banking.

The aims of this study is to compare the efficiency and effectiveness of the website improvements in terms of offering a friendlier service and the promotional incentives offered to customers in turning traditional bank customers to online bank customers. Developed hypotheses based on research purposes as below;

- 1.H<sub>1</sub> There is no relationship between cost advantage of the internet banking and risk aversion.
- 2.H<sub>2</sub> There is no relationship between ease of use the internet banking and risk aversion.
- 3.H<sub>3</sub> There is no relationship between content of the internet banking and risk aversion.
- 4.H<sub>4</sub> There is no relationship between risk aversion and year of the internet banking usage.
- 5.H<sub>5</sub> There is no relationship between risk aversion and frequency of the internet banking usage.
- 6.H<sub>6</sub> There is no relationship between risk aversion and trust on the internet banking.

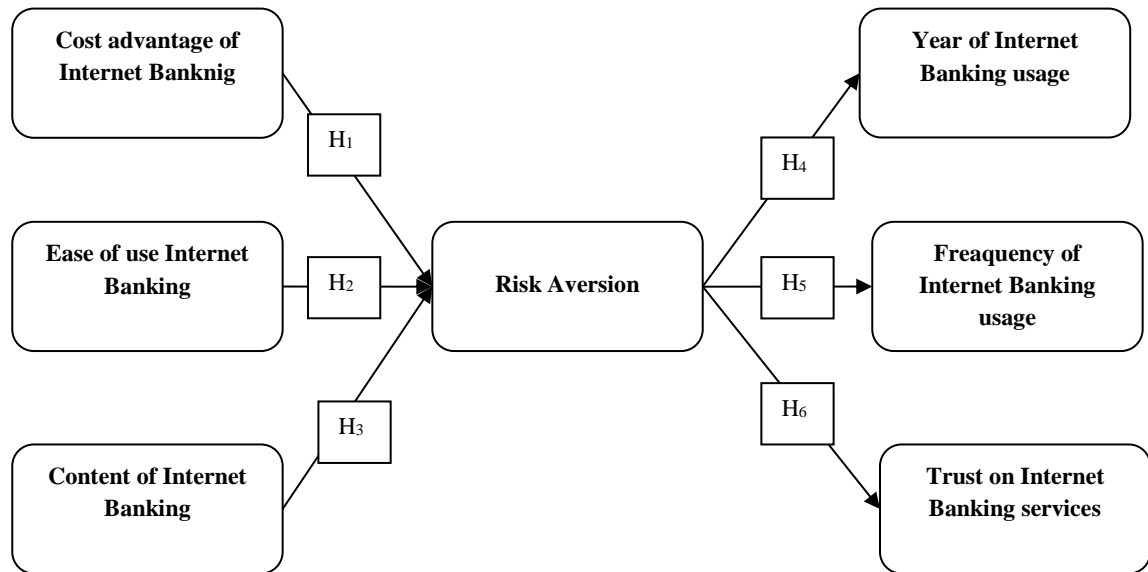


Figure 1: The Model of the Research

### 3.2. Data Collection Method and Measures

The research was conducted with customers using bank services in Uşak province center. Questionnaire was used as data collection technique and convenience sampling was used for the data collection method. For this reason a survey was administered to 394 participants in Uşak and İzmir. The data were collected between 20.12.2016-01.02.2017. Due to the time and cost constraints convenience sampling was used for the data collection method. Additionally, sampling from Uşak and İzmir provinces is another limitation of study.

The questionnaire consists of two parts. In the first section, there are 25 items that measure risk avoidance (Price and Ridgeway, 1983; Özgül and Özgüven, 2011), the ease of use, content and cost advantage of the the Internet banking web site (Chen, Hsiao and Hwang, 2012; Karamustafa and Özoğlu, 2015) and trust to the Internet banking service (Chen, Hsiao and Hwang, 2012; Karamustafa and Özoğlu, 2015). Scales were 5-point Likert-type, ranging from 1 (strongly agree) to 5 (strongly disagree). In the second part of the questionnaire, there are 3 questions about participants' age, gender, education status.

### 4. Findings And Analysis

SPSS 20 (Statistical Package for the Social Sciences) was used to analysis for validity, reliability and correlation analysis. Smart PLS 2.0 was used for PLS based structural equation modelling.

Table 1. Descriptive Statistics of Participants

Gender	n	%	Age	n	%
Female	159	38,8	18-25	222	54,1
Male	251	61,2	26-35	93	22,7
Total	410	100,0	36 and above	95	23,2
<b>Using the The Internet Branch</b>	<b>n</b>	<b>%</b>	<b>Total</b>	<b>410</b>	<b>100,0</b>
Daily	69	16,8	<b>Educational Status</b>	<b>n</b>	<b>%</b>
A few times a week	174	42,4	High school and below	95	23,2
Once a week	42	10,2	Bachelor	315	76,8
A few times a month	71	17,3	Total	410	100,0
Once a month	54	13,2			
<b>Total</b>	<b>410</b>	<b>100,0</b>			

According to Table 1, 38,8% of the participants were women (159) and 61.2% were men (251). Data show that 54.1% of the participants were between the ages of 18-25 (222), 22,7% were between the ages of 26-35 (91), 23.2% were 36 years old and over (86). According to the frequency of using the the Internet branch, it is seen that 16,8% of the participants

are in every day (69), 42,4% a few times a week (174), 10,2% once a week (42), 17,3% a few times a month (71), 13,2% once a month (54).

Cronbach's alpha value and composite reliability was used for internal consistency coefficient. Cronbach's alpha is one of the popular method for measuring reliability (Mukherjee and Nath 2003). Nunnally (1978) suggests that a Cronbach's alpha values 0,60 or above is sufficient. As shown in Table 3, the reliability scores of all the constructs were found to exceed the threshold set by Nunnally without risk aversion scales. However, Brownlow, McMurray and Cozens (2004) stated that a Cronbach alpha values between 0,50 and 0,60 is poor but acceptable.

For PLS-SEM based analysis, it is suggested to use "*composite reliability*" convergence validity instead of alpha coefficient for the reliability analysis (Yılmaz, 2016). Bagozzi and Yi (1988) indicate that the composite reliability coefficient value is enough to be 0,6 or more. According to the analysis result, the composite reliability values of the data obtained from the scales vary between 0,87- 0,96 and AVE values vary between 0,58 and 0,93. Fornell and Larcker (1981) stated that average variance extracted (AVE) values of latent structures must have of 0.50 and above to be valid. According to the validity and reliability analysis results all dimensions have sufficient validity and internal consistency coefficients.

**Table 2. Validity (PLS-SEM Based) and Reliability Analysis Results**

Dimensions	Items	Factor Loadings	Cronbach's Alpha	Composite Reliability	Average Variance Explained (AVE)	Mean
<b>Risk Aversion</b>	RA2	0,67	0,894	0,875	0,5863	2,75
	RA3	0,62				
	RA4	0,59				
	RA5	0,62				
	RA6	0,59				
<b>Trust on IB Services</b>	Trust 1	0,85	0,798	0,926	0,7195	3,34
	Trust 2	0,86				
	Trust 3	0,58				
	Trust 5	0,78				
	Trust 6	0,62				
<b>Ease of Use IB</b>	EoU 1	0,74	0,898	0,958	0,7219	3,67
	EoU 2	0,76				
	EoU 3	0,75				
	EoU 4	0,76				
	EoU 5	0,79				
	EoU 6	0,81				
	EoU 7	0,65				
	EoU 8	0,77				
	EoU 9	0,63				
<b>Content of IB</b>	Content 1	0,78	0,707	0,879	0,6462	3,54
	Content 2	0,76				
	Content 3	0,74				
	Content 4	0,65				
<b>Cost Advantage of IB</b>	CAoIB 1	0,95	0,522	0,964	0,9332	3,33
	CAoIB 2	0,62				

Skewness and kurtosis values of the items are between -3 and 3. Due to this reason parametric test (Pearson correlation) was used. According to the correlation analyse result (Table. 3) there was a statistical negative correlation between risk aversion and the ease of use web site ( $r=-0,493$ ,  $n=394$ ,  $p=0,001$ ), content of website ( $r=-0,514$ ,  $n=394$ ,  $p=0,001$ ), trust on the Internet banking services ( $r=-0,388$ ,  $n=394$ ,  $p=0,001$ ) and cost advantage of the Internet banking ( $r=-0,235$ ,  $n=394$ ,  $p=0,001$ ). The findings of this study draw parallels with Taskin et al.'s study (2017) who found that risk established a barrier between the customer and the service product.

Table 3. Correlation Analysis

	Trust on the Internet banking services	Ease of use web site	Content of web site	Risk aversion	Cost advantage of the Internet banking
Risk aversion	-,388**	-,493**	-,514**	1	-,235**
Trust on the Internet banking services	1	,577**	,575**	-,388**	,279*
Ease of use web site	,577**	1	,707**	-,493**	,302**
Content of web site	,575**	,707**	1	-,514**	,376**
Cost advantage of the Internet banking	,279*	,376**	,302**	-,235**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

There was a statistical positive correlation between trust on the Internet banking services and ease of use web site ( $r=0,577$ ,  $n=394$ ,  $p=0,001$ ), content of web site ( $r=0,575$ ,  $n=394$ ,  $p=0,001$ ) and cost advantage of the Internet banking ( $r=0,279$ ,  $n=394$ ,  $p=0,001$ ). There was a statistical positive correlation between ease of use web site and content of web site ( $r=0,707$ ,  $n=394$ ,  $p=0,001$ ), content of web site ( $r=0,575$ ,  $n=394$ ,  $p=0,001$ ) and cost advantage of the Internet banking ( $r=0,376$ ,  $n=394$ ,  $p=0,001$ ). There was a statistical positive correlation between cost advantage of the Internet banking and content of web site ( $r=0,302$ ,  $n=394$ ,  $p=0,001$ ). According to the results of the correlation analysis, the risk aversion tendency is mostly decreasing the contents of the Internet web site. On the other hand, the trust of the the Internet site is the easiest to use and increases the content of the the Internet site. On the other hand, ease of use and the content of the the Internet site increase the trust in the the Internet site.

Structural equation modeling (SEM) was used to test the research model. Basically, SEM aims to test the hypothesis developed by the researcher with the help of numerical data (Schumaker and Lomax, 2004: 2). Partial least square (PLS-SEM) was used as the estimation method for structural equation modeling by using Smart PLS 2.0 software. According to SEM results, the AVE values of risk aversion, ease of use the Internet banking, content of the Internet banking, cost advantage of the Internet banking, trust on the Internet banking services, frequency of the Internet banking usage and year of the Internet banking usage variables were 0,5863, 0,7219, 0,6462, 0,9332, 0,7195, 0,6923 and 0,6405. According to the AVE values of the latent structure model is valid.

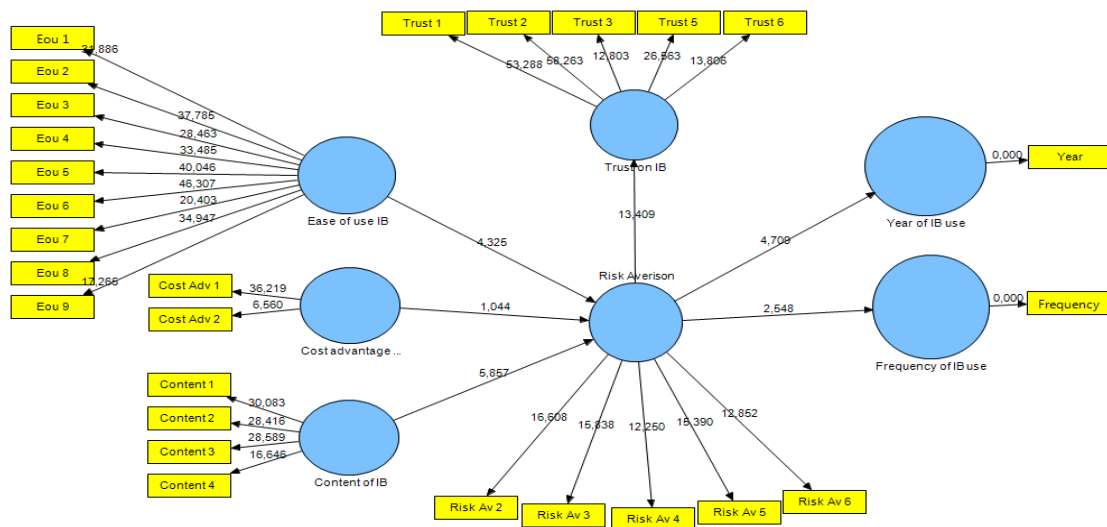


Figure 2: Structural Equation Modeling Results – t values

The PLS-SEM analysis results are given in Figure 2. The estimated coefficients indicated that ease of use the Internet banking ( $\beta=-0,265$ ,  $t=4,33$ ) and content of the Internet banking customers ( $\beta=-0,302$ ,  $t=5,86$ ) significantly influence risk aversion of the customers. However, cost advantage of the Internet banking ( $\beta=-0,047$ ,  $t=1,04$ ) isn't statistically influence the trust on the Internet banking services. On the other hand risk aversion of the customers statistically influence the trust on the Internet banking ( $\beta=-0,446$ ,  $t=13,41$ ), year of the Internet banking usage ( $\beta=-0,171$ ,  $t=4,71$ ) and frequency of the Internet banking usage ( $\beta=-0,107$ ,  $t=2,55$ ).

Table 4 shows information about the acceptance of hypotheses tested by PLS-SEM analysis. According to the hypothesis test, all hypotheses except H1 are accepted. According to the results of hypothesis tests, the promotions offered by banks to consumers for the the Internet banking service have no significant effect on the risk perception of the consumers towards the Internet banking services. The findings also show that the Internet banking reduces the transaction cost for the customer, as the Internet banking poses threats for many customers they are not inclined for using the Internet banking services. As suggested by Boz et al., (2017a) in making there various decisions customers may not be rational and make their decisions based on intuitions. Moreover customer's tend to avoid uncterainty according to the Tversky and Kahneman (1992). Therefore, consumers may tend to pay more attention to the content of the service to be given than the price advantage. The results of the study support the findings of Shumaila et al., 2009; Aldas-Manzano et al., 2011; Kesharwani and Bisht, 2012 and Kumar et al., 2017.

**Table 4: Hypothesis Test Results**

Hypothesis	$\beta$	t value	Result
H <sub>1</sub> Cost advantage of The Internet Banking - Risk Aversion	-0,047	1,04	Rejected
H <sub>2</sub> Ease of use The Internet Banking - Risk Aversion	0,265	4,33	Accepted
H <sub>3</sub> Content of The Internet Banking - Risk Aversion	-0,302	5,86	Accepted
H <sub>4</sub> Risk Aversion - Year of The Internet Banking Usage	-0,171	4,71	Accepted
H <sub>5</sub> Risk Aversion - Freaquency of The Internet Banking Usage	-0,107	2,55	Accepted
H <sub>6</sub> Risk Aversion - Trust on The Internet Banking	-0,446	13,41	Accepted

## Conclusion

Banks want to provide their customers with easier, faster and lower cost services through the Internet banking. For this purpose, a remarkable amount of data processing investments are made. The most important reason for banks to invest in online banking is to reduce their own costs, to increase efficiency in service production and service marketing activities and to increase bank profitability in addition to providing benefits for their customers.

In order to achieve the desired profitability, customers are encouraged to use online banking instead of bank branches. In order to achieve more customers to use online banking, we need to analyze how customers consider online banking. In the literature, customers' online banking preferences are investigated mainly by considering the Technology Acceptance Model (TAM) developed by Davis (1989). The components of this model are discussed in two parts: ease of use and usefulness. In addition, the effect of the factors such as perceived risk, perceived security, cost-benefit relationship and trust on online banking are among the issues that are investigated. When the literature is analyzed, we can see that there are very limited studies on the effects of personalities of individuals on the use of online banking. One of these personal features is risk avoidance behaviours.

The purpose of this study is to investigate the ease of use, cost advantage and contents of online banking transactions and the websites enabling these transactions and the connection between risk avoidance behaviours and risk avoidance and trust and the use of online banking level. According to Structural Equation Model Results, the main findings of the study show that the increase in the ease of use of online banking websites and the appreciation of contents reduce the risk avoidance. However, no statistical relationship was found between the increase in cost advantages for customers and risk avoidance. Accordingly, it is understood that the cost advantage of the customers is less important than other factors. Additionally, there was a negative relationship between risk avoidance and trust, duration and frequency of online banking use. Moreover, as the risk avoidance decreases, trust in duration and frequency of online banking use increase.

The findings of the study showed that the relationship between the ease of use and content characteristics and the the Internet banking usage level are consistent with the literature (Liao, et al, 1999; Cheng, et.al, 2006; Sohail & Shanmugham, 2003). Besides, the findings are consistent with the findings of Suh & Han (2002), Usta (2005), Sathye (1999), Chung & Kwon (2009) and Smith (2006) in terms of ease of use and effect of content characteristics on trust. However, we could not reach a study to compare the findings of the risk aversion variable and other variables in this study.

The risk aversion was the main element of the model in the study. In other studies, the effect of cost advantage, the ease of use and the Internet banking contents on the Internet banking usage level is measured directly. However, risk aversion is an intermediate variable in this study. Therefore, the effect of cost advantage, ease of use and the Internet banking contents on the Internet banking usage level are measured indirectly.

In other studies, while the risk perception of the customers was taken into consideration, the degree of risk aversion of customers was measured in this study. Then, the impact of the degree of risk avoidance on the use of the Internet banking



was measured. The study distinguishes itself from other studies, especially in terms of measuring the degree of risk aversion and contributes to the literature with this aspect.

Analysis results present the importance of risk avoidance for the use of online banking. In order to increase the use of the Internet banking, banks need to conduct studies that will affect their risk avoidance levels. Within the framework of the study findings, banks need to increase the ease of use of web pages rather than cost advantages and design web page contents in a way that is easier to understand and more functional in order to reduce risk avoidance behaviours of their customers.

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