Chapter 7 Broadband Adoption and Usage Behavior of Malaysian Accountants

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ABSTRACT

This study examines the factors affecting the adoption of broadband Internet in a developing country context by focusing on Malaysia. The data relating to these factors was collected using a survey approach. The findings of this paper suggest that constructs such as relative advantage, utilitarian outcomes, service quality, and primary influence are important factors affecting Malaysian accountants' broadband adoption and Internet use behaviour. The paper proceeds to outline the research limitations and implications.

INTRODUCTION

Although broadband diffusion is considered to be an important policy issue in many countries around the globe, there are few studies that have been conducted in order to understand this critical technology management issue within the context of developing countries. The reason for this lack of broadband adoption studies from the developing country perspective could be attributed to the late rollout of broadband services, slow infrastructure development, low tele-density and slow rate of adoption. Since developing countries such as Malaysia are currently lagging in terms broadband adoption -as the current level of adoption is approximately 11% (Keong, 2007) compared to developed countries where adoption rates typically exceed 50%- it is important to undertake research that may help to explain why this is the case, and where an understanding of the determining factors may help to accelerate the process of consumer adoption in developing nations such as Malaysia. Furthermore, a previous study has established relationship between broadband adoption and citizen adoption of emerging electronic government services (Dwivedi, Papazafeiropoulou, Gharavi, & Khoumbati, 2006). This suggests that higher level of broadband penetration is pre-requisite for any effort to promote citizen adoption of electronic government services in Malaysia.

The deployment and adoption of broadband is still in its infancy in Malaysia. A recently published Malaysian broadband market report highlighted the problem of slow broadband adoption amongst the general Malaysian population and the possible barriers inhibiting its widespread diffusion. The report stated that:

Malaysia has been heavily promoting itself as an Information Technology hub in the Asia region. On the back of the Multimedia Super Corridor project, high-tech companies have been at least establishing a presence in Malaysia. But the wider community has not really been embracing technology. There has been surprisingly little interest in broadband Internet, the national broadband penetration being only slightly over 3% at the end of 2006 (Malaysia Broadband Market, 2010).

The problem of slow broadband adoption has been taken seriously by the Malaysian government as they are continuously revising their policy and changing the target growth according to the adoption rate. Recent news from ZDNet Asia further highlights the slow growth of broadband in Malaysia and its consequences:

The slow uptake of broadband services has led the Malaysian government to revise its earlier optimistic penetration targets, prompting industry observers to call for market reform. The government had previously set a target of 75 percent adoption rate by 2010, but only 11.7 percent of Malaysia's 5.5 million households currently have broadband access, up from 7 percent in 2005. This disappointing state of affairs recently prompted a Cabinet Committee chaired by Deputy Prime Minister Najib Tun Razak to revise the target down to 50 percent by 2010 (Keong, 2007).

Given the situation of Malaysia in terms of the current adoption rate, it was regarded that understanding the effect of the potential factors upon consumers' broadband adoption and usage may help to encourage further diffusion and management of high speed Internet. Therefore, the aim of this study was: to understand the factors affecting the broadband adoption behavior of Malaysian accountants. The reasons for selecting accountants sample is provided in methodology section.

Having introduced the topic of interest, the next section provides a brief review of relevant literature followed by a brief discussion on the theoretical basis for examining the adoption of broadband. Then we provide a brief discussion of the research methods utilized for data collection. The findings are presented next. Finally the conclusions, including the limitations and contributions of this research, are provided.

LITERATURE REVIEW

Recently, a few studies on broadband adoption were undertaken to investigate influential factors in developing economies such as Bangladesh, India, Kingdom of Saudi Arabia and Pakistan. The study on broadband adoption in Bangladesh concluded that attitude, primary influence, secondary influence and facilitating conditions resources are important factors for explaining consumers' behavioral intentions to adopt broadband (Dwivedi, Khan, & Papazafeiropoulou, 2007). The key findings of the study on the Kingdom of Saudi Arabia were that the factors with the main influence on attitude towards adoption of broad11 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-global.com/chapter/broadband-adoption-usage-behavior-</u> malaysian/73037

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