



Internet banking has a big impact on banking industry in its delivery channels, simply because of the emergence of technology and mobility of people. Online banking offers numerous advantages for customers, while at the same time it proves to be cost effective, convenient and less time consuming for both sides—banks and the customers.

This study discusses Indonesian consumer acceptance of online banking by using Technology Acceptance Model (TAM). The independent variables chosen in the study are perceived ease of use, perceived usefulness, perceived enjoyment, privacy and security, the amount of information a consumer has about online banking, quality of internet connection and perceived inconvenience of branch banking.

The instrument used for this study was a questionnaire which was distributed using convenience non-probability sampling method. From the collected data, through multiple regressions, the study found that perceived ease of use, perceived usefulness, privacy and security, and quality of internet connection are significantly correlated statistically to the users' acceptance of online banking. On the other hand, perceived enjoyment, the amount of information a consumer has about online banking and perceived inconvenience of branch banking were found to have no statistically significant effect on Indonesian costumers' acceptance of online banking.

Further enhancement of this study is needed in order to improve the shortcomings due to the limitations faced by the researcher. Perhaps this study may be beneficial for Indonesian banks to encourage further IT adoption by their consumers, particularly in the application of banking services.

Keywords: Technology Acceptance Model (TAM), Online banking (Internet banking), Perceived ease of use, Perceived usefulness, Perceived enjoyment, number of information, internet quality, security and privacy, perceived inconvenience.