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**An Empirical Study on the Relationship between Identity-
Checking Steps and Perceived Trustworthiness in Online
Banking System Use**

A Thesis

Presented to

The Academic Faculty

By

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Under the supervision of

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ABSTRACT

Online banking systems have become more common and widely used in daily life, bringing huge changes in modern banking transaction activities and giving us a greater opportunity to access the banking system anytime and anywhere. At the same time, however, one of the key challenges that still remain is to fully resolve the security concerns associated with the online banking system.

Many clients feel that online banking is not secure enough, and to increase its security levels, many banks simply add more identity-checking steps or put on more security measures to some extent to give users the impression of a secure online banking system.

However, this is easier to be said than done, because we believe that more identity-checking steps could compromise the usability of the online banking system, which is an inevitable feature in design of usable and useful online banking systems. Banks can simply enhance their security level with more sophisticated technologies, but this does not seem to guarantee the online banking system is in line with its key usability concern. Therefore, the research question raised in this thesis is to establish the relationships between usability, security and trustworthiness in the online banking system.

To demonstrate these relationships, three experiments were carried out using the simulation of an online banking logon procedure to provide a similar online banking experience. Post questionnaires were used to measure the three concepts, i.e.

usability, security and trustworthiness. The resulting analyses revealed that simply adding more identity-checking steps in the online banking system did not improve the customers' perceived security and trustworthiness, nor the biometric security technique (i.e., fingerprints) did enhance the subjective ratings on the perceived security and trustworthiness. This showed that the systems designer needs to be aware that the customer's perception of the online banking system is not the same as that conceived from a technical standpoint.

CONTENTS

ABSTRACT	II
STATEMENT OF ACADEMIC INTEGRITY.....	IX
ACKNOWLEDGEMENTS	X
CHAPTER ONE: INTRODUCTION AND BACKGROUND.....	1
1.1. INTRODUCTION TO THE STUDY	1
1.2. BACKGROUND TO THE STUDY	5
1.3. RESEARCH QUESTIONS AND POTENTIAL CONTRIBUTIONS	10
1.4. OUTLINE TO STUDY	12
CHAPTER TWO: LITERATURE REVIEW	14
2.1 SECURITY IN ONLINE BANKING	15
2.1.1 <i>Technical view of security in online banking systems.....</i>	<i>17</i>
2.1.2 <i>Customer view of security in online banking system</i>	<i>21</i>
2.2 RELATIONSHIP BETWEEN TRUSTWORTHINESS, USABILITY AND SECURITY	28
2.3 PERCEIVED SECURITY	29
2.3.1 <i>External factors of perceived security</i>	<i>30</i>
2.3.2 <i>Internal factors of perceived security</i>	<i>31</i>
2.4 CONCLUSION.....	32
CHAPTER THREE: METHODOLOGY.....	33
3.1 INTRODUCTION	33
3.2 EXPERIMENT INTERFACES.....	36
3.2.1 <i>Experiment I</i>	<i>36</i>
3.2.2 <i>Experiment II</i>	<i>41</i>
3.2.3 <i>Experiment III.....</i>	<i>43</i>
3.3 METHOD	44
3.3.1 <i>EXPERIMENTAL DESIGN</i>	<i>44</i>
3.3.2 <i>PARTICIPANTS</i>	<i>45</i>
3.3.3 <i>PROCEDURE.....</i>	<i>46</i>
3.3.4 <i>APPARATUS.....</i>	<i>48</i>
3.4 DATA COLLECTION	49
3.5 DATA ANALYSIS	49
CHAPTER FOUR: RESULT.....	50
4.1 EXPERIMENT I.....	50
4.2 EXPERIMENT II.....	56
4.3 ADDITIONAL ANALYSIS: SYSTEM-INITIATED (EXPT. II) AND USER-INITIATED (EXPT. I)	57
4.4 ADDITIONAL ANALYSIS: USER-INITIATED (EXPT. I) AND FINGERPRINT (EXPT. III)	59
CHAPTER FIVE: DISCUSSION	61

5.1	EXPERIMENT I.....	61
5.2	EXPERIMENT II.....	64
5.3	EXPERIMENT III.....	65
CHAPTER SIX: CONCLUSIONS		66
6.1	FINDINGS OF THE THESIS	66
6.2	LIMITATIONS OF THE THESIS.....	67
6.3	FUTURE WORK.....	68
REFERENCES.....		70
APPENDIX A		73

LIST OF FIGURES

Figure 1.1 Trade-off relationship between usability and security	4
Figure 1.2 Kiwibank online banking	7
Figure 1.3 Physiological characteristics. (a) Fingerprints; (b) Facial structure; (c) Iris configuration	9
Figure 1.4 Physical characteristics. (a) Handwriting; (b) Keystroke recognition.....	9
Figure 2.1 Secure Sockets Layer	18
Figure 2.2 Public-Key Infrastructures.....	19
Figure 2.3 Symmetric-Key Infrastructures	21
Figure 2.4 ASB Bank FastNet online banking.....	22
Figure 2.5 National Bank online banking	23
Figure 2.6 Kiwi Bank online banking.....	23
Figure 2.7 Bank of China online banking.....	24
Figure 2.8 E-Token device.....	25
Figure 2.9 Industrial and Commercial Bank of China's code card.....	26
Figure 2.10 The fingerprint scanner used for BRCB's online banking system.....	27
Figure 3.1 The Register Interface	36
Figure 3.2 Step 1 of Interface I.....	37
Figure 3.3 Step 2 of Interface I.....	37
Figure 3.4 The account information page	38
Figure 3.5 Step 3 in Interface II.....	39
Figure 3.6 Step 4 in Interface II.....	39
Figure 3.7 Step 5 in Interface III.....	40
Figure 3.8 Step 6 in Interface III.....	40
Figure 3.9 Step 7 in Interface IV	40
Figure 3.10 Step 8 in Interface IV	41
Figure 3.11 Step 1 in Interface V.....	41
Figure 3.12 Step 2 in Interface V.....	42
Figure 3.13 Step 3 in Interface VI	42
Figure 3.14 Step 4 in Interface VI	43
Figure 3.15 Fingerprint Registration.....	43
Figure 3.16 Fingerprint Logon System (Logon).....	44
Figure 3.17 Fingerprint register	47
Figure 3.18 Connection setup between fingerprint and customer account.....	48
Figure 4.1 Easy to use	51
Figure 4.2 Comfortable to use	52
Figure 4.3 Simple to use	53
Figure 4.4 Secure enough	54
Figure 4.5 Trustworthiness	55
Figure 5.1 Relationship between identity-checking steps and usability	62
Figure 5.2 Relationship between identity-checking steps and security	63

Figure 5.4 Expt. II vs. Expt.I65

LIST OF TABLES

Table 2.1 Summary table of security	29
Table 3.1 Summary table of Experiment one	34
Table 3.2 Summary table of Experiment two	35
Table 3.3 Summary table of Experiment three	35
Table 3.4 Summary table of experimental settings.....	35
Table 3.5 Summary table of experimental design	45
Table 3.6 Summary table of participant.....	46
Table 3.7 Post-test questionnaire	49
Table 4.1 Average and standard deviation of rating for each question	50
Table 4.2 Paired sample test for Experiment II	57
Table 4.3 Univariate analysis of variance for order effect.....	58
Table 4.4 Average and standard deviation of ratings for each question	59
Table 4.5 Mean and standard deviation of ratings for each question	60
Table 5.1 Summary table of experiment hypothesis.....	61

STATEMENT OF ACADEMIC INTEGRITY

I declare that this research study is entirely my own work and that it has not been copied from the work of other people. If the work and ideas of others have been used in this study, they have been properly cited in the text.

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