
1 INTRODUCTION

1.1 Purpose Of The Study

The purpose of this study is to look at the implementation level of online payment system among companies in Malaysia. This study would also look at the awareness of the companies on the existing payment technologies via the Internet and its gains or benefits to the companies. This study would also investigate the reason why many companies are not adopting the existing payment technologies via the Internet and what are the factors that would motivate them to implement it in their companies.

1.2 Significance Of The Study

This study will give the companies a rough idea on where they are among the rest in terms of implementing online payment. The study could roughly indicate whether the companies are behind the rest or already in the mainstream of online payment users. If they are behind, then it is high time that they join the pack and start implementing online payment in their companies. The need is especially high the bigger companies with thousands or million of clients who are embracing the *new religion* called the Internet.

For the policy makers, this study will give them a rough idea on what is holding the companies in Malaysia from implementing online payment and what needs to be done to get the companies to adopt the technology. From the study, the policy makers could look at the main factors which have hindered the companies from adopting the online payment technologies. The policy makers could also look at the factors that would attract the companies to embrace online payment

technologies when doing business with their clients and suppliers.

1.3 Questions Of The Study

This study, would like to seek answers, among others, to these questions :

How much knowledge do companies in Malaysia have pertaining to online payment technologies? Does the amount of knowledge relates to the implementation of online payment in those companies? Do the companies have any intention of implementing online payment in the future? Are they aware of the benefits of implementing online payment and how do they relate to the level of knowledge and implementation of the technology in their companies? What are the most important barriers or factors that hinder these companies from implementing online payment? What needs to be done to motivate them to implement online payment technologies in their companies? Last, but not least, do the knowledge, level of online payment implementation, awareness of online payment benefits, barriers to online payment, and motivators of online payment have any relationship with the organization's characteristics e.g size and revenue of the company.

1.4 Scope Of The Study

This study will be conducted on companies that are operating their business in Malaysia. Therefore, the companies can be a Malaysian company, a foreign company, or a joint-venture between Malaysian companies and their foreign counterparts. The study will also be conducted on all types of companies from various industries, regardless of the size of the companies.

This study will look into the business perspective, rather than the technical

perspective of online payment. It does not try to answer which type of payment technologies which are the most suitable for certain types of business environment. Instead, it will look at the level of implementation and knowledge of online payment technologies and its benefits to business organizations. Most importantly, it would focus on the reasons why many companies in this country at this point of time are not implementing online payment. Furthermore, it would like to seek ways to resolve this problem.

1.5 Limitations Of The Study

This study is a very small-scale study on online payment. The number of sample is quite small. Thus, this study could only give a rough idea of online payment implementation in this country. The findings of this study should not be taken as *the indicator* of online payment implementation among companies in Malaysia.

As an exploratory study, this study would like to cover the more basic and important aspect related to online payment. Therefore, the study is not fully and totally comprehensive, especially in answering why many companies in Malaysia are not implementing online payment technologies.

The focus of this study is on private-owned companies. This study does not include government bodies. The exclusion of government bodies in this study is because the focus of online payment in most literatures are on business organizations which are private-owned companies. However, government bodies should not be totally discarded in this respect because some are toying with the idea of implementing such technology in their organizations, while some are already planning to launch it sometime in the near future. However, the data on the

use of online payment systems among the government bodies and agencies are readily available for the information of the public. It is not the case for the private sector.

1.6 Organization Of The Study

This study will start by looking at the relevant and current literatures on online payment systems. Among others, this section will look at the types of online payment systems available, what are its benefits, and why the companies are not using online payment systems. The study would then move on to the research methodology where it would discuss the way the research is designed. Next, based on statistical analysis, this study will discuss the results of the research findings. Last but not least, the study will look at what can be concluded from the research findings and its implication to the business organizations and the government.