

# Examining Drivers that Influence Mobile Banking Adoption of Small and Medium Enterprises in the Colombo District

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**Abstract:** Mobile Banking services are popular all over the world due to the advancement of Information and Communication Technology. Mobile Banking services have a profound impact on the environment of a business according to past research. This study aimed to examine factors influencing Mobile Banking Adoption among small and medium enterprises in Colombo District. Influencing factors were identified as Perceived Ease of Use, Perceived Usefulness, Perceived Risk, and Perceived Cost. The quantitative research approach was used. The sample size for primary data collection was 56 according to the Morgan table with the help of a simple random sampling method and based on the small and medium enterprises registry published by the Ceylon Chamber of Commerce. Primary data was collected with the help of online questionnaires and data analysis was performed using the Statistical Package for the Social Sciences software. Reliability and validity tests were conducted using Cronbach's Alpha and Kaiser-Meyer-Olkin tests and which indicates that the data is valid enough to go ahead with the analysis. According to correlation analysis, there was a positive relationship between dependent and independent variables. A multiple linear regression test was done, the model fit with an adjusted R<sup>2</sup> value of 81.3%, and the overall model was significant. Independent variables such as Perceived Ease of Use, Perceived Usefulness, and Perceived Risk were a significant relationship with the dependent variable called Mobile Banking Adoption. Researchers decided to test the Ordinary Least Square assumptions using EViews software and confirmed the selected model's suitability. Therefore, the statistical findings proved the researchers' main objective had been achieved. The study would enhance the efficiency and productivity of small and medium enterprises in Sri Lanka, and it leads to enhancing the country's economy as well as gross domestic product.

**Keywords:** Mobile banking adoption, Perceived ease of use, Perceived usefulness, Perceived risk, Perceived cost, and Small and Medium Enterprises.

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