A Study of Perceived Usefulness and Perceived Qualitative Characteristic Towards the Intention to Use Internet Financial Reporting in Malaysia

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Abstract: The purpose of this study is to measure the impact of perceived usefulness and perceived qualitative characteristics of Internet Financial Reporting (IFR) from a user’s perspective. This study uses the public investor from online forum in Malaysia. The perceived usefulness and perceived qualitative characteristics are used to examine the intention to use IFR. The results of this study indicate perceived usefulness and within perceived qualitative characteristics, only comparability is significant to the intention to use IFR. The researcher extends prior research by conducting a research regarding Technology Acceptance Mo (TAM) and IFR.

Key words: Internet Financial Reporting · User Perception · Technology Acceptance Model · Qualitative Characteristics

INTRODUCTION

The revolution of technology is giving a great impact on human being, making the human life easier and more comfortable [1] and at the same time create a strongly dependent on the utilization of technology [2]. The innovation of computer and internet allows the information sharing in just a few clicks, the reality and the most successful example is Facebook the social network. Information technology has great influences on accounting activity; Lymer [3] was claimed that the internet can extend the possibilities of business information management within and between businesses and offers new ways of undertaking commerce and the creation of wealth. However, the business only began to take serious notice of it after thirty years of occurrence in 1995 with the development of World Wide Web (WWW) [3].

The internet at that time was primarily used as advertising tools in Europe and become a low-cost and high efficiency distribution medium for information [4]. When users of the internet increase, it also arouses the adoption of Internet Financial Reporting (IFR) and it becomes the major trend for public listed company. IFR in this research can be defined as “the public reporting of operating and financial data by a business enterprise by the World Wide Web or related Internet-based communications medium” [5]. Researchers believed this trend will bring significant impact on the field such as increased auditing problems, increase provision of information by third parties, benefits both preparers and users [6].

Researchers have stated that the implementation of IFR in Malaysia is still in its infancy stage [7-9]. Previous researchers are believed the traditional printed financial report will gradually replace by IFR in the future [10]. The increasing awareness and use of information technology can encourage the production and dissemination of accounting information [11]. The importance of IFR cannot be denied as the increases the awareness of the greenhouse effect which encourage the produce environmental friendly version of annual report. Corporate is changing from solely printed financial disclosure in paper version to a mix-mode of printed and electronic financial disclosure on the web [12]. Besides, it helps in saving the delivery time to the final user, as Lymer [3] stated that the internet is an instant and convenient medium for users to obtain the data they want for further analysis or examination.

According to International Accounting Standards Board (IASB) Framework, they identified four principal qualitative characteristics for the preparation and presentation of financial statements, namely: relevance, reliability, understandability and comparability [3]. The
substantial variation of IFR’s quality pertains to the
timeliness and the usefulness of IFR [13]. They also found
that the usefulness of IFR depends on the ease of
accessing the data, the amount of data disclosed and
whether data can be downloaded by the user for further
analysis [13]. According to Stainbank and Peebles [14]
research in South Africa regarding the usefulness of
corporate annual reports, preparers prefer the fair
presentation annual report whereas users preferred
comparability annual report. The financial information
given by the preparer might not equal to the user
requirements. Various parties have criticized financial
reporting worldwide through the past few decades for not
adequately meeting the needs of users [11]. The majority
of users still rely on the annual report as their primary
source of information although the amount of information
provided by annual reports is perceived to be inadequate
[16]. The asymmetry of information may due to that
preparers and users approach the information disclose
from a different point of departure. This asymmetry of
communication occurs is due to the denominator always
taking the dominant role in deciding the nature and extent
of information provision [17]. There is a need to research
the usefulness and usability of IFR practice from user’s
perception [18]. Therefore, this research takes advantage
to fill in the gaps and examine the user’s perception on the
usefulness and quality of IFR in Malaysia. The objective
of this study is to measure the impact of perceived
usefulness and perceived qualitative characteristics
towards intention to use IFR from a user’s perspective.

The paper contributes to the literature in two ways. First,
it provides the perception of usefulness of and
qualitative characteristics in IFR. Second, it shows their
impact towards intention to use of IFR. The remainder
of the paper is organized as follows. Literature review is
discussed in Section 2. Section 3 provides the description
of research methodology. Empirical results of the study
are display in Section 4. Lastly, Section 5 gives a
conclusion and summary of this study, its limitation and
recommendation for future research.

Literature Review and Hypotheses Development:
Many years ago, the users of financial report only can
depend on printed format hard copies of the annual report
to reach them by mails or get the information from an
analyst. User also can reach it from press releases of
media or get it from a library. Today, with the popularity
of the internet, almost all large corporations have set up
their own websites and the most of them include some
form of financial reporting [19]. Generally, firms without
websites are smaller and less profitable than firms with
websites [14]. This is because that set up a website may
increase a firm administrative cost to pay IT expert and
maintenance cost. With the availability of financial
information and annual report on the internet, now
everyone can easily access the information [19].

Ashbaugh, Johnstone and Warfield [14] defines firms
as practicing in IFR if and only if they provide on their
web sites either a comprehensive set of financial
statements (including footnotes and auditors’ report), a
link to their annual report on the internet, or a link to the
U.S. Security and Exchange Commission’s (SEC) and
Electronic Data Gathering, Analysis and Retrieval
(EDGAR) system. IFR does mean the application of
corporate websites in order for dissemination and
disclosure of all information relating to their financial
performance [20]. In this research, IFR is defined as
information reporting activities of a corporation through
their websites on the Internet to disclose corporate related
information and financial information.

The previous research trend of IFR basically starts
from descriptive research, comparative research,
explanatory research, association research, about the
dimension and timeliness of IFR [21]. The financial market
is facing globalization and liberation; timely information
could be useful to assist users and investor in decision
making [9]. Besides, the researchers are indicating that the
environmental information is considered to be important
to be disclosed on the internet. Larger company with
larger annual report print run were more likely to own a
website [22]. The larger companies are more likely to
disseminate their financial information on the Internet [23].
Besides, they also found that there is no significant
relationship between the industry type and the extent of
IFR.

The different of research which has been done to
date in this field and he addressed some possible areas
and questions it might help for conducting further
research in the future [24]. One of the discussions was
about ethics, behavioural and philosophical aspects and
he mentioned about still not apparently research has been
done to investigate users’ perceptions of the usefulness
of financial information dissemination through the
internet. This opens a gap for future researchers to
investigate the IFR from the viewpoint of the user. The
usefulness may regard to the value of information
provided by the preparer for use in the decision making
process [18]. On the study regarding the user perception,
Al-Htaybat, Alberti-Alhtaybat and Hutaibat [18]
researched the user perception on IFR in Jordan.
The author found that the respondent from Jordan strongly agreed that IFR was being used, assessable and a clear source of information for user’s decision making that available at anytime and anywhere. They also provide a gap on future research on cross-country comparison of user perception, investigate between the association of IFR and technology acceptance model (TAM) and examine the influence of perceived usefulness and perceived usability to the actual use of IFR. In this study, the researcher will approach the impact of perceived usefulness and perceived qualitative characteristics towards intention to use IFR from a user’s perspective.

**Perceived Usefulness:** Corporations must increase their website disclosure for investors to find them valuable, relevant and useful by improving the quality and relevance of reporting such as forward looking information, nonfinancial items and off-balancing sheet financing [25]. Previous study about the information technology acceptance by professional in Hong Kong shows that the perceived usefulness was a significant determinant of attitude and behavioural intention in TAM [26]. Their research found that the professional are more concentrating on the usefulness of a technology rather than on its ease of use. Another TAM research done by Davis [27] himself on new information system usage shows that the perceived usefulness was 50% more influential than ease of use in determining usage of new systems. Masrom [28] study shows that perceived usefulness is more significant in determining intention to use than attitude towards using the e-learning system. Her result also shows a significant effect of perceived usefulness and perceived ease of use towards using the technology. An empirical study on continual usage intention of Sina micro blogging was shows a positive relation of perceived usefulness to the continual usage intention [29]. Their study also shows a significant of perceived usefulness toward the satisfaction of using micro blogging, whereas the satisfaction also contributes towards the continual usage intention.

Hence, the researcher has made an assumption that the usefulness of IFR perceived by a user may enhance the intention to use IFR as a decision making instrument. Based on this discussion, the hypothesis that will be tested in this research is shown below:

**H1:** The perceived usefulness has a significant effect on intention to use IFR.

**Perceived Qualitative Characteristic:** Previous study on value relevance of financial information indicates that relevance of balance sheet’s information clearly influences decision making in the company [30]. The rule of thumb in accounting information system is considered to be useful information when it matches three criteria: it is relevant, timely and accurate [31]. Previous study also found that when relevant and irrelevant information cues with hyperlinks will make investors exhibit dilution effect, such that the irrelevant information will dilutes the impact of the relevant information [32]. Hence, the researcher estimate a relevance of IFR contents perceived by a user will significantly affect the intention to use IFR as decision making instrument. Based on the discussion, the hypothesis will be tested in this research is as follow:

**H2a:** The relevance of IFR contents has a significant effect on intention to use.

The basic objective of financial information is concerned on providing useful information for economic decision making when it shows the economic reality of the financial statements and it is relevant and reliable to users [33]. In the research of Xiao, Jones and Lymer [6], they revealed that there is a concern among users of IFR about the reliability and trustworthiness of information disclose on the corporate website. Reliability is the attributes of a quality financial information that permits users to depend on it with confidence when it fulfill the criterion of verifiable, has faithful representation and is reasonably free of errors and bias [34]. Thus, the researcher believes that a reliable of IFR contents perceived by a user will significantly affect the intention to use IFR as decision making instrument. Based on the discussion, the hypothesis will be tested in this research is as follow:

**H2b:** The reliability of IFR contents has a significant effect on intention to use.

Understandability of financial information will increase when information is classified, characterized and presented clearly and concisely [35]. Understandability is the permits reasonably informed users to perceive the significance useful information [34]. Furthermore, information should be readily understandable by unsophisticated users who have basic knowledge of business, economics activities and accounting and for those have a willingness to study the information with
reasonable diligence [36]. Therefore, the researcher making an assumption that an easy and understandable of IFR contents perceived by a user will potentially affect the intention to use IFR as decision making instrument. Based on the discussion, the hypothesis will be tested in this research is as follow:

H2c: The understandability of IFR contents has a significant effect on intention to use.

Financial information about a corporate is extremely useful if it can be compared to other corporate financial information [34]. Financial information should be readily presented in a consistent manner over time and in a consistent manner between entities to enable user to make significant comparisons [36]. Franco, Kothari and Verdi [37] suggest that financial statement comparability may help in lowers the cost of acquiring information and increases the overall quantity and quality of information available for analysis purpose about the firm. Hence, the researcher estimates that a comparable of IFR contents perceived by a user will potentially affect the intention to use IFR as decision making instrument. Based on the discussion, the hypothesis will be tested in this research is as follow:

H2d: The comparability of IFR has a significant effect on intention to use.

Financial information that is not available during it is needed or becomes available when long after it has value for future action is consider to be useless [34]. The internet provide the opportunity to all interested group easy access to financial information which means by search, filter, download and even compare and analyze data at low cost in a timely fashion [38]. The Internet was believed that it can be solving some of the existing problem in financial reporting, such as timeliness [39]. Intentionally, the researcher making an assumption that a timely of IFR contents perceived by a user will significantly affect the intention to use IFR as decision making instrument. Based on the discussion, the hypothesis will be tested in this research is as follow:

H2e: A timely IFR has a significant effect on intention to use.

MATERIALS AND METHODS

Sample Selection: In this study, the respondents are selected from users of IFR in public investor groups and who also are Internet users. The survey was started in April 2013 and sustained until the end of May 2013; the duration of the data collection period was seven weeks. On the April 2013, questionnaires were distributed by posted on online forums and sent by online forum private message to the participants. A total of 90 useable questionnaires were collected out of 200 questionnaires distribute, indicating 45% rate of return. The user groups chosen by Ali Khan and Ismail [40] are mainly academic member, student, manager and bank officer. Another researcher regarding users’ perception and IFR are chosen financial analysts, academic, bank credit officers and auditors group [18]. The researcher believes that public investor group may provide valuable feedback like other user group chosen by previous studies. Questionnaires will be publishing on the online forum e.g. investlah.com, lowyat.net, cari.com.my, carigold.com sahamas.net klse.i3investor.com, investalks.com and jbtalks.cc.

Data Collection Method: The main purpose of this study is to examine the perceived usefulness and perceived qualitative characteristics of IFR information from a user’s perspective, as well as determining the intention to use IFR in Malaysia. In this research, primary data will be collected through questionnaires. In this study, the questionnaire will be designed according to the self-administered type using Internet-mediated questionnaires and hard copy printed questionnaires which are delivered to each respondent and collected later.

Questionnaire Design: The questionnaire consists of questions regarding the level of perceived usefulness and perceived qualitative characteristics towards the intention to use IFR from a user’s perspective. Items is answered in the form of 5 points Likert scales (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree).

The perceived usefulness from previous studies has also been summarized and applied in this research. The perceived usefulness is generally developed in the context of speed, performance, productivity, confidence, efficiency and usefulness. Table 1 shows the items developed from previous studies.

An extensive literature review was conducted to develop every single item to justify the qualitative characteristics of a useful IFR. The main attributes to describe a useful financial reporting are relevance, understandable, reliable and comparable [41]. Timeliness is one of the restrictions to provide relevant and reliable information [41]. Table 2 shows an overview of perceived qualitative characteristics used to describe useful financial reporting.
Table 1: An overview to measure perceived usefulness

<table>
<thead>
<tr>
<th>No.</th>
<th>Perceived Usefulness</th>
<th>Literature</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Using IFR allows me to make investment decision quickly. (Speed)</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>2.</td>
<td>Using IFR would improve the accuracy of decision making. (Performance)</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Chau and Hu (2001); Masrom (2007); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>3.</td>
<td>Using IFR allows me to gather more related information for decision making. (Productivity)</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Masrom (2007); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>4.</td>
<td>I am confident in using IFR information for my decision. (Confidence)</td>
<td>Davis (1989); Agarwal and Prasad (1999); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>5.</td>
<td>Using IFR facilities anytime and anywhere enable me to be more efficient. (Efficiency)</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Chau and Hu (2001); Masrom (2007); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>6.</td>
<td>Overall, IFR is a useful source of information for decision making. (Usefulness)</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Chau and Hu (2001); Masrom (2007); Al-Htaybat (2011)</td>
</tr>
</tbody>
</table>

Table 2: An overview of Perceived qualitative characteristics used to describe useful financial reporting

<table>
<thead>
<tr>
<th>No.</th>
<th>Perceived qualitative characteristics</th>
<th>Literature</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>IFR discloses forward-looking information.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>2.</td>
<td>IFR discloses information in terms of business opportunities and risks.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>3.</td>
<td>IFR provides more related information for decision making.</td>
<td>Davis (1989); Davis (1993); Agarwal and Prasad (1999); Masrom (2007); Al-Htaybat (2011)</td>
</tr>
<tr>
<td>4.</td>
<td>IFR provides feedback information on how various market events and significant transactions affected the company.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>5.</td>
<td>IFR helps user to evaluate past, present, or future events or confirming or correcting their past evaluations.</td>
<td>Lewis and Pendrill (1996); ASB (1999); Van Beest et al. (2009)</td>
</tr>
<tr>
<td>6.</td>
<td>IFR provides valid and sufficient substantiation assumptions and estimates.</td>
<td>ASB (1999); Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>7.</td>
<td>IFR firmly follows the accounting principles.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>8.</td>
<td>IFR provides financial highlights as well as negative events.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>9.</td>
<td>The information is free from material error and bias and not misleading.</td>
<td>ASB (1999)</td>
</tr>
<tr>
<td>10.</td>
<td>IFR tells only the truth.</td>
<td>Lewis and Pendrill (1996); ASB (1999)</td>
</tr>
<tr>
<td>11.</td>
<td>The IFR presentation is well organized.</td>
<td>ASB (1999); Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>12.</td>
<td>IFR content is clear and not confusing.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>13.</td>
<td>IFR provides graphs and tables to clarify the information presented.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>14.</td>
<td>The use of language and technical jargon is easy to understand in IFR.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>15.</td>
<td>IFR provides a comprehensive glossary for technical terms and terminology.</td>
<td>Van Beest et al. (2009)</td>
</tr>
<tr>
<td>16.</td>
<td>IFR provides the notes to change in accounting policies and explain the implications of change.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>17.</td>
<td>IFR provides financial index numbers and ratio for comparison.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>18.</td>
<td>IFR provides different period's financial information for comparison.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>19.</td>
<td>IFR allows comparisons over time and among entities.</td>
<td>ASB (1999); Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>20.</td>
<td>IFR provides instrument of analysis and downloadable data.</td>
<td>Van Beest et al. (2009); Tasios and Bekiaris (2012)</td>
</tr>
<tr>
<td>21.</td>
<td>IFR is up to date without delay.</td>
<td>Abdelsalam and El-Masry (2008); Ezat and El-Masry (2008)</td>
</tr>
<tr>
<td>22.</td>
<td>IFR is updated from time to time.</td>
<td>Lee et al. (2002)</td>
</tr>
<tr>
<td>23.</td>
<td>IFR provides the latest information and announcement.</td>
<td>Lymer and Tallberg (1997)</td>
</tr>
</tbody>
</table>
Table 3: An overview regarding statements of intention to use

<table>
<thead>
<tr>
<th>No.</th>
<th>Statements of Intention to Use</th>
<th>Literature</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I intend to use IFR more frequently as my decision making instrument.</td>
<td>Chau and Hu (2001); Wang et al. (2003); Masrom (2007); Pinho and Soares (2011)</td>
</tr>
<tr>
<td>2</td>
<td>I intend to increase the usage of IFR as my decision making instrument in the future.</td>
<td>Agarwal and Prasad (1999); Wang et al. (2003); Pinho and Soares (2011)</td>
</tr>
<tr>
<td>3</td>
<td>I intend to switch from hard copy financial report to IFR.</td>
<td>Agarwal and Prasad (1999); Pinho and Soares (2011)</td>
</tr>
</tbody>
</table>

Furthermore, the statements which indicate the intention to use IFR as their decision making instruments are studied. The items were built by referring to the previous researches conducted on TAM. Table 3 shows the statements of intention to use and their references.

RESULTS AND DISCUSSION

Descriptive Results: Based on the 90 sets of usable data collected, 78.9% of the respondents are male respondents and only 21.1% are female respondents. About 16.7% of the respondents’ age is below 25 years old and 70% of the respondents are between 25-40 years old. About 8.9% of the respondents are aged from 41-55 years old and 4.4% of the respondents are more than 56 years old. 11.1% of the respondents have a secondary school level of education, 17.8% have a diploma certificate and about 61.1% of the respondents are degree or professional certificate holders. 6.7% of the respondents have a master degree and 3.3% have a doctorate degree.

Furthermore, 87.8% of the respondents are working in a private sector, followed by 6.7% who are working in other organizations, such as non-profit organization and 5.5% who are working in the public sector, such as government. About 63.3% of the respondent are using IFR information as their primary decision making instrument and 24.5% are still using the traditional hard copy annual report. The remaining 12.2% of respondents are using another source of information such as research report, news, forum, investment information website and newspaper. Table 4 shows the profile of the respondent.

Table 5 shows the results of multiple regressions between independent variables and dependent variable. It shows the F statistic for final model is 13.03 with a P-value of 0.00, which indicating a significant model at F (6, 83) = 13.03, p<0.001, R² = 0.485. The significant model indicates that there are effects between the independent variables i) perceived usefulness, ii) relevance, iii) reliability, iv) understandability, v) comparability and vi) timeliness with R = 0.697. These six independent variables explain 48.5% of the variance in dependent variable (R² = 0.485) and 44.8% of the variance of dependent variable in real population (Adjusted R² = 0.448). It means that 48.5 percent of the variation in the dependent variable can be explained by independent variables. The remaining 51.5 percent can attributed to unknown or inherent variability.

Besides, it is found that among the six variables, only perceived usefulness (p = 0.001) and comparability (p = 0.023) show significance with intention to use IFR. In other words, the researcher can conclude that the perceived usefulness (β = 0.479) is the highest predictor to the intention to use IFR and follow by comparability (β = 0.374) and reliability (β = 0.048).

Table 4: Profile of Respondent

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Item</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>71</td>
<td>78.9</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>19</td>
<td>21.1</td>
</tr>
<tr>
<td>Age</td>
<td>Below 25 years old</td>
<td>15</td>
<td>16.7</td>
</tr>
<tr>
<td></td>
<td>25-40 years old</td>
<td>63</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>41-55 years old</td>
<td>8</td>
<td>8.9</td>
</tr>
<tr>
<td></td>
<td>56 years old and above</td>
<td>4</td>
<td>4.4</td>
</tr>
<tr>
<td>Education Level</td>
<td>Secondary school</td>
<td>10</td>
<td>11.1</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>16</td>
<td>17.8</td>
</tr>
<tr>
<td></td>
<td>Degree/ Professional</td>
<td>55</td>
<td>61.1</td>
</tr>
<tr>
<td></td>
<td>Master</td>
<td>6</td>
<td>6.7</td>
</tr>
<tr>
<td></td>
<td>PhD</td>
<td>3</td>
<td>3.3</td>
</tr>
<tr>
<td>Organization</td>
<td>Public sector (e.g. government)</td>
<td>5</td>
<td>5.5</td>
</tr>
<tr>
<td></td>
<td>Private sector (e.g. most businesses and individuals)</td>
<td>79</td>
<td>87.8</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>6</td>
<td>6.7</td>
</tr>
<tr>
<td>Source of Information</td>
<td>Hard copy Annual Report</td>
<td>22</td>
<td>24.5</td>
</tr>
<tr>
<td></td>
<td>Corporate website / IFR information</td>
<td>57</td>
<td>63.3</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>11</td>
<td>12.2</td>
</tr>
</tbody>
</table>
Table 5: Multiple regression for research model

<table>
<thead>
<tr>
<th>Variable</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.554</td>
<td>0.124</td>
<td></td>
</tr>
<tr>
<td>Perceived Usefulness</td>
<td>0.479</td>
<td>3.295</td>
<td>0.001**</td>
</tr>
<tr>
<td>Relevance</td>
<td>-0.094</td>
<td>-0.555</td>
<td>0.580</td>
</tr>
<tr>
<td>Reliability</td>
<td>0.048</td>
<td>0.291</td>
<td>0.771</td>
</tr>
<tr>
<td>Understandability</td>
<td>-0.042</td>
<td>-0.233</td>
<td>0.817</td>
</tr>
<tr>
<td>Comparability</td>
<td>0.374</td>
<td>2.321</td>
<td>0.023*</td>
</tr>
<tr>
<td>Timeliness</td>
<td>-0.005</td>
<td>-0.046</td>
<td>0.963</td>
</tr>
</tbody>
</table>

R² = 0.485; Adjusted R² = 0.448; F value = 13.03; Sig = 0.000

a. Predictors: (Constant), Timeliness, Relevance, Comparability, Perceived Usefulness, Reliability, Understandability
b. Dependent Variable: Intention to Use

* sig = p < 0.05, ** sig = p < 0.01

SUMMARY, CONCLUSION AND FUTURE RESEARCH

Perceived usefulness is the degree to which a person believes that using a particular system would enhance his or her job performance [42]. The multiple regression result for the research model is significant at $\beta = 0.375$ and $p = 0.005$. The result is consistent with the theory of TAM, in which perceived usefulness has a significant influence on the behavioural intention to use a system. Previous study also proved that the perceived usefulness is significant in determining intention to use the e-learning system [28]. Furthermore, Davis [27] had argued that perceived usefulness has a greater influence in determining the usage of new systems. Another study in China also shows that the perceived usefulness has a positive relationship to the continual usage intention of a system [29].

From the result of multiple regression analysis, there is enough empirical evidence support the hypothesis H2d. The result shows that there is positive significance relationship between comparability of IFR and intention to use IFR at $p<0.05$. Hence, the comparability ($\beta = 0.374$, $p = 0.023$) of IFR has a significant effect on intention to use. Users are always complained about the lack of comparability and consistency between different companies within a single industry [43]. In other words, the comparability is considered as an important factor of using a financial report. Whereas, there is no sufficient evidence that show perceived reliability, reliability, understandability and timeliness of IFR has significant to the intention to use IFR. The finding can be explained when relevant and irrelevant information cues with hyperlinks and dilutes the impact of the relevant information [32]. Besides that, user of IFR also cannot measure the authentication of data as online data can easily be changed without leaving any trace [44].

Academic research also found that users are confident in their ability to handle the financial report even though they are lack of understanding of annual reports [43]. For timeliness issue could be explained when the primary purpose of corporate website is to aggregate historical data and Internet is simply a supplement information dissemination method [45, 44].

The result of this study gives a constructive output for the preparer to produce a better IFR presentation. The study has discovered that perceived usefulness and for perceived qualitative characteristics, only comparability has a significant effect to the intention to use IFR before making an investment decision. Specifically, comparability in perceived qualitative characteristics is found to be the only significant quality characteristic that explained the intention to use IFR. From a preparer’s perspective, the preparer can consider to produce high usefulness and high quality IFR to the user. It is noteworthy to mention that Davis [42] introduced and developed TAM for predicting information system usage and acceptance behaviours. TAM mentioned that perceived usefulness is one of the specific variables which influence behavioural intentions. In this study, the empirical evidence reaffirmed the suggestion of this hypothesis, in which there is a relationship between perceived usefulness and intention to use IFR before making investment decisions. Interestingly, this study also deduced that within perceived qualitative characteristics only comparability shows a positive significant effect on intention to use IFR.

As with any study, there are limitations to this research. First of all, the research is carried in the context of users, specifically to stock investors in Malaysia only. Stock investors are the respondents in this study; therefore, the result of this study may not be applicable to other stakeholders of IFR. The future research can focus on the extensions of the current study. For example, it is interesting to perform a comparative study between countries, for example, users of Malaysia and users of other country.

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