

Design Analysis of CIMB Bank's Website

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Abstract

Islamic banking has emerged in recent decades as one of the most important trends in the financial world, side by side with conventional banking. Website design has become a very powerful tool in disseminating information of a particular banking institution and this phenomenon has been fully utilized by both conventional and Islamic banks throughout the world. The purpose of this article is to analyze website design of CIMB Bank that offers both conventional and Islamic financing facilities. The methodology employed in this article is qualitative in nature through examining the websites of CIMB Bank. The finding shows that CIMB Bank needs to improve their both website designs in order to attract more customers to their websites and give true information with regard of their products and services. It is further suggested that future researcher tries to explore more in-depth website designs in terms of products and services provided by the conventional and Islamic banking institutions in order to increase their market shares.

Keywords: CIMB Bank; website design analysis; Islamic Bank; Islamic Banking Institutions

Abstrak

Perbankan Islam telah muncul dalam dekad terkini menjadi trend yang terpenting dalam perkembangan kewangan global seiring dengan perbankan konvensional. Reka bentuk laman sesawang menjadi mekanisme terpenting dalam memberikan maklumat berkenaan sesebuah institusi perbankan dan keadaan ini telah digunakan sepenuhnya oleh kedua-dua sistem perbankan di seluruh dunia. Objektif artikel ini adalah untuk menganalisis reka bentuk laman sesawang bagi Bank CIMB yang menawarkan kedua-dua jenis perkhidmatan iaitu Islam dan konvensional. Method yang digunakan adalah berbentuk kualitatif melalui penelitian kedua-dua laman sesawang Bank CIMB. Dapatan yang diperolehi menunjukkan bank ini harus memperbaiki reka bentuk bagi kedua-dua laman sesawang mereka bagi menarik minat pelanggan untuk mendapatkan maklumat yang terkini berkenaan produk dan perkhidmatan yang mereka tawarkan. Dicadangkan bagi kajian masa hadapan untuk mengkaji dengan lebih terperinci reka bentuk laman sesawang setiap perbankan Islam dan konvensional bagi meningkatkan penguasaan pasaran di negara ini.

Kata kunci: Bank CIMB; analisis reka bentuk laman sesawang; Bank Islam; Institusi Perbankan Islam

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1.0 INTRODUCTION

A website tells a lot about a business. It shows how much thought the business puts into its brand and whether it values the importance of having a website as a tool to cover more market potentials. Unfortunately, far too many companies do not really value their websites and do not get the full benefit out of them. They neglect the aspects of design, website copyright, contents and other important essentials. They put the focus only on making sales. Web design is a crucial factor of a business to progress in the future. It can determine the future of a website and its potential to create business and gain potential clients.

With the remarkable growth of Internet users in the past two decades, the Internet has transformed the manner in which individuals identify, communicate, and make purchase decisions. The significance of this phenomenon is underscored by several reports on online retail sales. According to a Pew Internet & American Life Project survey, 52% of Americans reported making online purchases, compared to only 22% in 2000 (Jensen, 2010).

Changes in technology have a great impact on the development of the global economy. The global progression of electronic commerce shows that people are becoming dependent on the Internet for communications and services (Winnie & John, 2002).

Banks can no longer depend on their physical presence but also have to introduce website Internet banking has been reported as the most important innovation for banking services deployment of the last years. It is also believed that the Web will lead to a revolution in consumer banking (Lee & Mohammad, 2003). Therefore, Web designers often attempt to make their Web sites fancy and attractive with the use of various technologically supported design tools such as flash, Java script, and colors.

However, the idea that "the more elements you put in Web pages, the more you can attract visitors" may not always be true. Web site performance and analysis is a crucial factor in determining today's online business's success. Many elements of design and graphic art can be used to convey the content of the web (Lee G. C., 2010). According to Muhammad Ridhwan Ab. Aziz (2013), based on a research done on website's design of Agro Bank, Malaysia and Agricultural Bank of China, these banks need to improve the design of their websites by using more multimedia tools such as graphic, audio file, video file for clear and proper purposes. Therefore, the aim of this paper is to analyze CIMB bank's website design that provides both conventional and Islamic banking products and services to their customers.

■2.0 LITERATURE REVIEW

The inconsistency scenarios on the global financial market has not only shed doubts on the appropriate functioning of conventional "Western" banking, but has also shifted the attention on Islamic banking. Although the idea and implementation of Islamic banking system is relatively new, it is nevertheless attracted the attention of group of Muslim and non-Muslim investors around the globe. The appearance of modern Islamic banking system in recent years is one of the most vital movements in the economic sector, and with the estimated 2.1 billion Muslims worldwide population, its ripe the growth potential of this business.

There has always been a demand among Muslims and non-Muslims for financial products and services that conform to *Shariah* (Islamic Law) where all the financial activities and transactions without indulging in '*riba*' (Tarek & M., 2001). This phenomenon may explain by the increasing numbers of Islamic banks for fulfill the customer needs. The development of viable alternatives to conventional finance increasingly enables Muslims to participate in the financial world without violating their Islamic principles (Silva, 2006).

Modern commercial banking is based on interest which is against the *Shariah* (Islamic law) hence for all the believers in Allah (SWT) dealings with these institutions do not suit well (M. Ridhwan, A. A., 2012). Over the time, role assumed by the banking sector has become vital for the growth and development of economies and societies. In Arabic term *Riba* is a synonym for the term interest used in conventional banking operations. *Riba* means charging predetermined additional amount on a loan extended based on length of credit period. In the words of Imam Abu Bakr Al-Jassas (D.380 AH) "*The riba of Jahiliyyah is a loan given for stipulated period with a stipulated increase on the principal payable by the borrower.*" Charging of interest on loans had never got support in ethics. Interest charging is forbidden by all revealed religions including Islam. According to Old Testament of The Bible "*Thou shalt not lend upon usury to thy brother; usury of money, usury of victuals, usury of anything that is lent upon usury.*" [Deuteronomy 23:19].

In the wholly Quran, four verses are about *Riba* (interest) revealed in different occasions. The first verse is in Surah Al-Rum 30:39 whereby displeasure of Allah is disclosed for

interest based practices. The second verse is in Surah An-Nisaa 4:161 where interest charging was disclosed as sinful act of Jews. The third verse is part of Surah Ali-Imran 3:130 whereby prohibition of *Riba* (interest) was declared "*O those who believe do not eat up riba doubled and redoubled.*"

The last verse revealed is reported in Surah Al-Baqarah 2:275 whereby severe punishment is declared for those dealing in interest "*Those who take interest will not stand but as stands whom the demon has driven crazy by his touch. That is because they have said: 'Trading is but like riba. And Allah has permitted trading and prohibited riba. So, whoever receives an advice from his Lord and stops, he is allowed what has passed, and his matter is up to Allah. And the ones who revert back, those are the people of Fire. There they remain forever.'*"

Changes in technology have a great impact on the development of the global economy. The global progression of electronic commerce shows that people are becoming dependent on the Internet for communications and services (Winnie & John, 2002). Many industries, including banking industry was not spared. Thus, the existence of alternative channels through electronic banking services such as bank Automated Teller Machines (ATMs), phone-banking, PC banking and Internet banking act as tools to facilitate and ease the transactions of the clients. In other words, customers do not need to go to banks for financial transactions but it is sufficient to access the internet at home. Leading banks in our nation have developed their working system by introducing computer system into their operation for speedy operation, and elimination of documentation and document expenses (Leelapongprasut, Pranetpolgrang, & Paopun, 2005). It is also believed that the Web will lead to a revolution in consumer banking (Lee & Mohammad, 2003). According to Chai Lee (2010), web site performance and analysis is a crucial factor in determining today's online business's success. Many elements of design and graphic art can be used to convey the content of the web (Lee G. C., 2010).

■3.0 CIMB GROUP BANK

CIMB Group is a leading ASEAN universal bank, the largest Asia Pacific (ex-Japan) investment bank and one of the world's largest Islamic banks. The Group is headquartered in Kuala Lumpur, Malaysia and offers consumer banking, wholesale banking, Islamic banking and asset management. It is the fifth largest banking group by assets in Southeast Asia and at the end of 2012 had about 42,000 staff and 13.5 million customers.

The Group's retail banking branch network is the widest in the region, with 1,080 retail branches in Malaysia, Indonesia, Singapore, Thailand and Cambodia. The Group has substantial wholesale banking operations. Its corporate banking and treasury markets business offers one of the most comprehensive and integrated product and service suites among universal banks in ASEAN. Its investment bank is the largest in Asia Pacific (ex-Japan) with offices in ASEAN's main markets and in Bahrain, Colombo, Hong Kong, Melbourne, Mumbai, Shanghai, Seoul, Sydney and Taipei. In addition it has equity sales operations in London and New York.

Products and services are complemented by partnerships and alliances with various leading companies including the Principal Financial Group, Bank of Tokyo-Mitsubishi UFJ, Sun Life Assurance, Allianz Insurance, Thai Life Insurance, Sri Ayudhya General Insurance, and Mapletree Investments.

In addition, CIMB Islamic is the global Islamic banking and finance franchise of CIMB Group, ASEAN's leading universal banking franchise. We offer an extensive suite of

innovative Shariah-compliant products and services that encompass consumer banking, investment banking, asset management, takaful, private banking and wealth management solutions in Southeast Asia and other major world cities.

Headquartered in Kuala Lumpur, CIMB Islamic's main markets are Malaysia, Indonesia, Thailand and Singapore, countries in which we have full universal banking capabilities. Our presence covers Southeast Asia and global financial centres, as well as countries where our Southeast Asian customers have significant business and investment dealings (www.cimb.com., 16th May 2013).

■4.0 OBJECTIVES

The reason for the authors to choose CIMB Bank as the center of this research is that CIMB Bank is one of the local banking institutions that provide both conventional and Islamic banking products and services in Malaysia. The purpose of this research is to evaluate CIMB Bank's websites and the specific objectives of the study are as stated follows:

- (a) To evaluate the design of CIMB Bank's website.
- (b) To identify strengths and weaknesses of CIMB Bank's website.

■5.0 METHOD

This article adopts qualitative research based on observation on CIMB Bank's websites, which provides Islamic banking and conventional products and services. In order to evaluate these websites, there are several fundamental assumptions that should be made clear. They are (EETAP Resource Library, 1999):

- (1) Evaluation will involve personal judgment.
- (2) Not all information are created equally.
- (3) There is good information on bad sites, and bad information on good sites.
- (4) Information on the Web should be viewed as no more or less than information from other sources.
- (5) An individual who evaluates the website will have certain degrees of biasness in viewing the information.
- (6) Authorship on the Web does not mean 'authority'.
- (7) Evaluation of a website is a process and not the ultimate goal.
- (8) There is only one evaluation made, namely design of the websites.

According to Ongus *et al.* (2006, p. 63), a website evaluation is necessary in order to enable planners and developers to keep up with the increasingly diverse nature of site that are posted on the internet. For the purpose of this paper, the authors have decided to adopt WWW Cyberguide Ratings for Website Design and Content (Joseph, 2008). This web evaluation method was introduced by Karen McLachlan in 1996 and further refined to keep abreast with the changes in technology in 2002 (Whitten, Smith, Munday, & LaPlante, 2006). She developed the evaluation tools as means of introducing the World Wide Web to novice users in 1996 (NA, 2009). The tools have been widely used by researchers to evaluate content and graphic design of home pages (Yei-sook, NA; NA, 1997).

In the case of Malaysian websites evaluation, the tools have been used to gauge the best practices used by Malaysian environmental websites and also used to evaluate e-banking

websites (Aida, Hanipah, Hazmilah, Kalthom, & Aziz, 2010; Lee G. C., 2010; Aida, Kalthom, & Noraini, 2009; Goi, 2005). The evaluation of design components are categorized as follows:

- (i) Speed
This section evaluates the efficiency of homepage downloading time
- (ii) Home page
This section provides information on the attractiveness of the homepage, the clarity of the homepage content, and also whether the copyright date is clearly established.
- (iii) Ease of navigation
The section provides information on the clarity of the direction given in order to navigate the website.
- (iv) Use of multimedia
The section discusses the use of multimedia in the website.
- (v) Browser compatibility
The section examines the compatibility of the website with different available browsers in the market.
- (vi) Content presentation
The section provides information on the format used in the website, the sufficiency of information, and also the roles played by the links provided by the website.
- (vii) Currency
This section explores the currency of the information provided in the website.
- (viii) Availability of further information
This section provide information on whether link for other useful websites are provided and also a working link is provided to contact a person or address for further information.

■6.0 CHARACTERISTICS OF RESPONDENTS

The questionnaires were distributed online to the respondents from 1st of April 2013 until 30th of April 2013. For the purpose of evaluating these websites, the authors have recruited 93 respondents who are mainly 3rd year students from Universiti Sains Islam Malaysia, Bandar Baru Nilai, Malaysia. All of the respondents have at least minimum understanding with respect of online banking, business and design knowledge. Figure 1 describes the distribution of respondents based on gender.

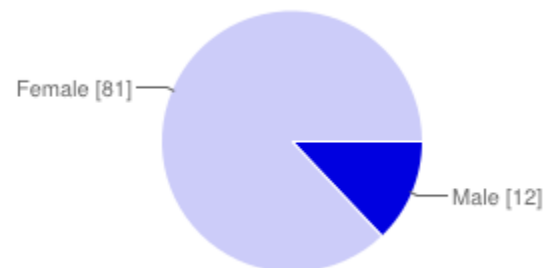


Figure 1 Gender distribution

Basically, 87% (81) of the respondents are female while the remaining 13% (12) are male students. All of the respondents are 3rd year students from two different faculties; Faculty of Economics and Muamalat (81%) and Faculty of Science and Technology (19%). All of the respondents fall under the 21-30 year old age category.

7.0 ANALYSIS AND DISCUSSION

Ongus *et al.* (2006) provided with a solution to evaluate the website using McLachlan’s method (Joseph, 2008) by assigning the respond ‘Yes’ with 1 mark and ‘No’ with 0 mark. Based on

this exercise, they rated the websites’ design attribute according to the following schema:
 (16-24 marks) - Very well designed website, easy to use
 (11-15 marks) – Website design needs to be improved but site is usable
 (0-10 marks) – Poorly designed website, difficult to use

Table 1 Design evaluation attributes and scores

BANK/ QUESTION CATEGORIES	1.Speed	2.Home page	3.Ease of navigation	4.Use of multimedia	5.Browser compatibility	6.Content Presentation	7.Currency	8.Availability of further information	Total Mark
CIMB	0.934783	4.717391	4	1.391304	0.826087	4.195652	1.293478	1.673913	19.03261

Based on Table 3, the design evaluation score for CIMB’s website is 19.032 which fall under the (16-24) category, which is described by Ongus *et al.* (2006) as being very well designed and easy to use.

This is proved by the following chart (Figure 2), whereby 92% (86 respondents) consider the CIMB homepage downloads efficiently while only 5% (5 respondents) consider the homepage download inefficiently. This is a strong indicator that the website is well designed and easy to use by the customers.

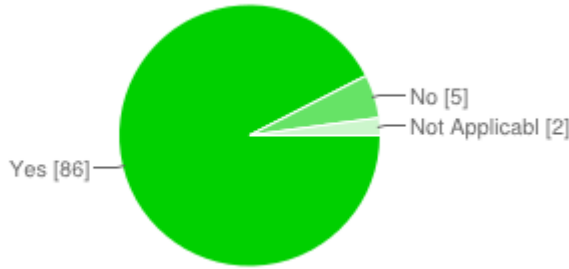


Figure 2 Speed

Based on Figure 3 below, 75% (70 respondents) believe that CIMB’s website is attractive and has strong eye appeal, while only 22% (20 respondents) believe otherwise. The authors believe that the website can be further improved through the use of colors and interactive multimedia with audio.

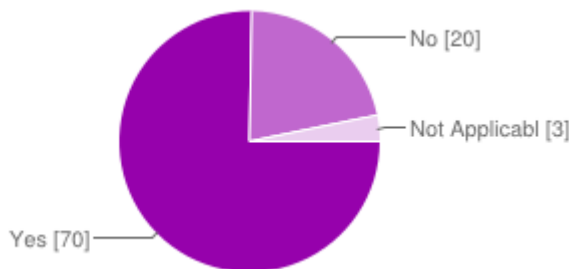


Figure 3 Homepage Attractiveness

Apart from that, based on Figure 4 below, 88% or 82 respondents agree that the CIMB’s website is ease for navigation, whereby the users are able to move around within the site with ease. Whereas only 11% or 10 respondents agree

that they have difficulty in navigation the website. This is very crucial because the customers would like to explore more information in the website when the homepage is ease to be navigated.

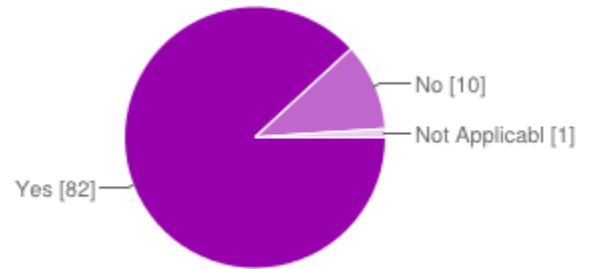


Figure 4 Ease of navigation

Furthermore, only 71% of the respondents believed that the website use proper graphic, audio file and video file, while 20% of them were not. This shows that the designer of the website needs to use more suitable graphic, audio file and video file that may attract the customers in staying further in the website.

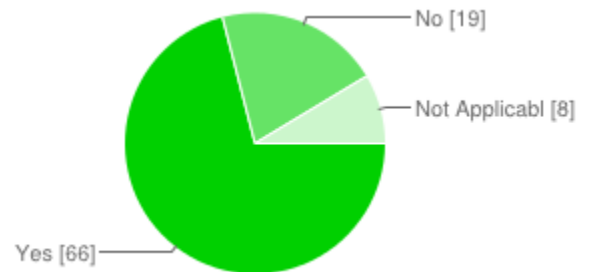


Figure 5 Use of multimedia

Besides, 82% of the respondents agreed that the site is equally effective with a variety of browsers such as Netscape and Internet Explorer, but remaining of them (18%) were not agreed. Based on this browser compatibility, it shows that the designer has the intention to make a suitable and big access to the customers since most of the internet users use these two types of browsers.

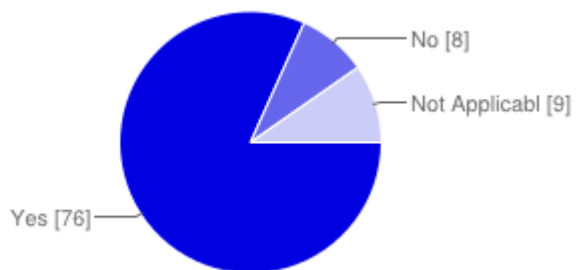


Figure 6 Browser compatibility

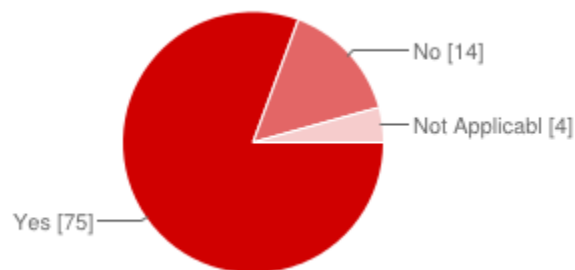


Figure 9 Availability of further information

In terms of content presentation, 82% of the respondents believed that there is sufficient information to make the site worth visiting while only 18% were not agreed that the information is clearly labeled and organized. Furthermore, only 66% of the respondents felt that in terms of the currency, the date of last version was clearly labeled and out-dated material has been removed (See Figure 8). This is a strong indicator that the designer of this website were not updated the information in the websites in regular basis. For banking products and services, it is suggested to the designer of the website to frequently update all information in the website since some of the information provided in the website are very limited and not currently adjusted. This would make the customers a difficulty in choosing the preferred products and services because some of the rates for instance Basic Lending Rate (BLR) may change easily from time to time.

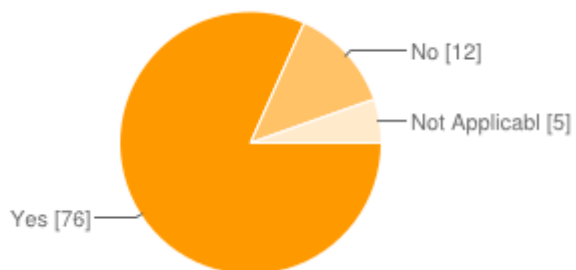


Figure 7 Content presentation

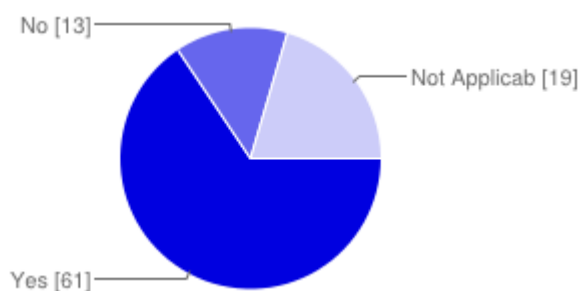


Figure 8 Currency

In terms of availability of further information, 81% of the respondents believed that this website do provide a working link to a contact person or address for further information. See Chart 9 below.

8.0 CONCLUSION

Information is very important in the era of globalization. By having a website, it offers CIMB Bank an alternative to disseminate information not only on its company, but also on other promotion, contests, events, corporate social responsibilities activities and other information which is deemed appropriate for it existing and potential customers. In order to do that, CIMB Bank has to recalibrate some of the feature in its websites such as the issue of currency of the site and also the use of suitable and attractive multimedia in the website.

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