

Examining Factors Influencing Consumers Intention and Usage of Digital Banking: Evidence from Indonesian Digital Banking Customers

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Abstract

This paper aims to analyze important factors influencing the intention and use of digital banking as perceived by consumers of the Indonesia commercial bank. This paper adopts variables in the unified theory of acceptance and use of technology 2 (UTAUT 2). The data was collected by distributing questionnaires to the 281 respondents by employed purposive sampling technique. To assessing the acceptance model, a structural equation approach based on Partial Least Squares (SEM-PLS) was used. The UTAUT2 model was proved adequate to explain digital banking behavior intention and usage. The findings demonstrated that habit is the highest variable that determines the behavioral intention and use behavior. Hedonic motivation and social influence also predict intention. Indonesia has a collectivist culture, which emphasizes the high value of the group, so opinions and information from others will affect people's intentions and actions. Surprisingly, effort expectancy, facilitating conditions, performance expectancy, and price value do not have a significant relationship which some possible reasons were explained further. In this article, practical implication also discussed.

Keywords

Digital banking; UTAUT2; behavior intention; use behavior; technology acceptance Indonesia

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Introduction

A new phenomenon has emerged in the banking industry today, namely digital banking (Sardana & Singhania, 2018). Digital banking is a potential platform offered by banks to facilitate the services provided. The main factors that triggered the presence of digital banking were internet penetration and smartphones (Lipton, Shrier, & Pentland, 2016). Several survey results show that the internet and

smartphone users in Indonesia are increasing every year. The presence of these new technologies boosts people's enthusiasm to use it to help them in their daily activities (Lim, 2018).

Digital banking provides services like conventional banking in general. The difference is all matters of banking services are carried out independently through the banking application on a smartphone. Digital banking allows customers to obtain

banking services independently (self-service), without them having to come directly to the bank (Kahveci & Wolfs, 2018). According to the Financial Services Authority (OJK), digital banking services enable prospective and existing customers of the bank to obtain information, conduct communications, account opening, banking transactions, electronic trading systems, and financial advisory (OJK, 2016).

Digital banking services have many advantages (Mbama Cajetan, Ezepue, Alboul, & Beer, 2018). Previously, the activities of customers become disrupted to take care of banking matters. To make a transaction, for example, to send money, customers need to come to the nearest bank and fill out some forms and certainly include various documents. Not to mention, the long queue makes customers spend more time. It is the reason some people become uncomfortable if they have to do financial transactions at conventional banks. With digital banking, making various transactions is no longer the thing that will make customers have to struggle and sacrifice their activities that are quite dense (Sajić, Bundalo, Bundalo, & Pašalić, 2018). Many features have been presented to digital banking so that customers can make different banking transactions such as transfers, checking balances, and even making payments only from their hands. No more time spent to go to the bank, customer mobility and activities can now be maintained.

The shifting of traditional shopping habits to online shopping becomes a reason digital banking will be helpful (Goswami & Sinha, 2019). For example, when customers find items at reasonable prices but only available in a limited amount of time. Now customers no longer need to be afraid of losing opportunities due to the complexity of conducting financial transactions, digital banking with online transfer and payment features can make it easy for customers to make transactions anywhere and anytime. In addition to

increased opportunities to get what they want, the presence of digital banking also tries to allow them to enjoy life without the need to feel the complexity of making transactions. Through its various features, Digital banking strives to provide a more pleasant transaction experience for customers (Parise, Guinan, & Kafka, 2016).

The changing of banking features in a digital way can be seen as an environmentally-friendly choice (Pelau & Acatrinei, 2019). Imagine the number of customers from a banking company and the various documents they must provide each time they transact. Not to mention, internal data must also be stored, which requires a lot of paper. Digital banking allows all the customer's data to be stored more digitally secured. Besides getting the banking benefits, it also contributes to environmental preservation by reducing the amount of paper used and total energy consumption.

By using digital banking, payment method does not require the existence of physical money so that it is more convenient and secure (Jamsheer, 2018). One no longer needs to fear pickpocketing or theft (Norzaidi, 2011). Also, the convenience aspect of using this banking system can be seen from the increasingly widespread merchants or outlets that provide payment tools, both EDC machines or scanning devices for smartphones. Thus, the transaction is faster because the seller does not need to prepare money for change. If customers trade conventionally, the customer will use cash, both paper money and coins as a means of payment. However, not all cash can be received. If the money is torn or has a missing part, then the money will be difficult to accept. Digital transactions do not have the risk of counterfeiting or risk of damage.

Potential digital banking opportunities, especially for banking companies, must be followed by efforts to increase understanding of the customer's behavior

of using these services. The growth of digital banking depends heavily on the customer acceptance and usage of this technology. Ensuring that customers willing to transact by using this service have become a key challenge. It is important for banks to understand the reasons and motives behind the consumer's decision to use digital banking. To obtain this information, this study was conducted by analyzing technology acceptance and usage variables.

Many studies have examined technology acceptance issues in banking using unified theory of acceptance and use of technology (UTAUT) model (Khan, Hameed, & Hamayun, 2019; Malik, 2020; Mbrokroh, 2016; Raza, Shah, & Ali, 2019; Savić & Pešterac, 2019). Hence, only few has been done with an integrated UTAUT model. Formerly, researchers have stressed either on IT-based elements or trust-risk variable in order to analyze digital banking adoption issues (Aboobucker & Bao, 2018; Akhtar, Irfan, Kanwal, & Pitafi, 2019; K. P. Gupta, Manrai, & Goel, 2019). Nevertheless, this study incorporated the UTAUT model, habit, hedonic motivation, and price value to investigate digital banking adoption in Indonesia. The integrative model expected to get more comprehensive insight that advantageous both for the academics and practitioners.

Literature Review

Digital banking

Digital banking used by many banks to deal with fierce competition (Alalwan, Dwivedi, & Rana, 2017). This banking system comprises electronic services via digital equipment such as phone banking, SMS banking, mobile banking, and internet banking (Sardana & Singhania, 2018). Customers can conduct banking transactions via telephone where customers contact the bank's contact center. The bank has provided specialized staff that will carry out customer transactions or automated programs that can interact with customers to carry out customer

transactions. SMS banking is a banking transaction service that can be done by customers via cellular phones (cellphones) with the Short Message Service (SMS) format. Customers can send SMS to bank telephone numbers or use bank-installed applications on the customer's cellphone. Mobile banking is a banking service that can also be accessed directly through mobile phones such as SMS banking but has a higher level of sophistication. The bank cooperates with cellular operators so that the Global Card for Mobile Communication (GSM) SIM Card has been installed with a special program to be able to conduct banking transactions. Customers can make banking transactions (financial and non-financial) through computers that are connected to the bank's internet network.

Technology acceptance theory

For a decade, some theoretical models have been introduced to describe the usage and acceptance of the technology. Many models have been developed to explain the acceptance and usage of technology. The first theory of technology adoption is Diffusion of Innovations postulated by Rogers (1983). This theory stated that the technology would be used when it is beneficial, compatible, and simple. As information and communication technology developed, a new theory rose to explain the reason for technology adopted. An article in MIS Quarterly by Davis (1989) proposed the Technology Acceptance Model (TAM) which explains that ICT will use when it is useful and easy to use. Venkatesh, Morris, Davis, and Davis (2003) proposed performance expectancy, effort expectancy, social influence, and facilitating conditions as constructs and resulting Unified Theory of Adoption and Use of Technology (UTAUT). Later Venkatesh, Thong, and Xu (2012) promote hedonic motivation, price value, and habit as additional variables in UTAUT which well known as UTAUT2. UTAUT2 can portray a broader context of technology adoption since it considers technology used not only in an

organizational context but also in individual practice.

Effort expectancy

Effort expectancy correlates with perceived ease of use in TAM. This construct reflects the degree of ease that customers perceived for using a system (Chen & Lin, 2019). It covers the individual effort to learn and use technology. Digital banking platforms have a different interface and features, so the customers need to learn it. The customers maybe give up to try or use technology, when they find that the technology is too complex and difficult. Effort expectancy in this study describes the extent of the customers feel that digital banking is easy to use and they comfortable using this technology. This construct has been typically related to behavioral intention (K. Gupta & Arora, 2019; Jang & Byon Kevin, 2019). So, we hypothesize:

H1. Effort expectancy positively influence the behavior intention to use digital banking

Facilitating conditions

Facilitating conditions are customer's beliefs about the existence of technical infrastructure that supports the system. It related to the knowledge, environment, resources constraints in technology usage. The foundation of this construct is the idea of the customer's perception of the availability of the resources needed to perform a behavior (Ajzen, 2005; Chen & Lin, 2019). The environmental support designed to remove the barrier of a system use have a salient effect on user acceptance behavior (Kurfalı, Arifoğlu, Tokdemir, & Paçin, 2017; Lallmahomed, Lallmahomed, & Lallmahomed, 2017; Yahia, Al-Neama, & Kerbache, 2018). According to Lu, Yu, and Liu (2005) and Mahardika, Thomas, Ewing, and Japutra (2019), facilitating conditions involve a supportive technical environment consist of designed programs, control procedures, policies, regulations, and legal environment to ensure data transmission security and protection over confidential information. These conditions

are the main consideration for digital banking acceptance. Our next hypothesis is:

H2. Facilitating conditions positively influence behavior intention to use digital banking

Hedonic motivation

Motivation consists of extrinsic and intrinsic motivation (Fathali & Okada, 2018). Extrinsic motivation is a motivation that comes from external stimuli. The extrinsic factor is when consumers think rationally about their needs or are known as utilitarian values (Khan et al., 2018). The utilitarian value applies when consumers focus on the tangible benefits of a product. This tangible attribute is the result of cognitive stimulation which then influences consumer behavior (Nkwe & Cohen, 2017). On the other hand, intrinsic motivation is motivation arising from internal desires that causes someone to do something. Intrinsic comes from multisensory, fantasy, and affective aspects of consumers or known as hedonic value (Bastari, Eliyana, Syabarrudin, Arief, & Emur, 2020). Hedonic values come from affective stimulation from consumers when consumers rely on emotional responses. Abstract characteristics of goods or services can contribute to affective elements. This happens when consumers feel the happiness of a product because of their desires, not because of necessity (Camilleri & Camilleri, 2019). The results of research conducted by Macedo (2017), Al-Azawei and Alowayr (2020), and Baabdullah (2018) support that hedonic motivation influences the intention to use information and communication technology (ICT). In this study, hedonic motivation is a pleasure related to digital banking usage. The feeling of enjoyment, for instance, attractive and aesthetics design will lead the customer's intention to use technology. Based on that, so we posit the hypothesis:

H3. Hedonic motivations positively influence behavior intention to use digital banking

Habit

Habit can be operationalized as prior experience (Rey-Moreno & Medina-Molina, 2017) and automatic responses as a result of a learned action (Ramírez-Correa, Rondán-Cataluñab, Arenas-Gaitánb, & Martín-Veliciab, 2019). Habit formed when someone acts the same things repeatedly over time (Tamilmani, Rana, & Dwivedi, 2018). Venkatesh and Davis (2000) stated automatization as the results from the same, frequent, and consistent mental processes in particular situations will stimulate individuals unintentionally making the same decision when faced with the situation again. Some researchers in the area of technology acceptance have concluded habit as an important part in predicting technology use (Dhir, Kaur, & Rajala, 2018; Tarhini, Masa'deh, Al-Busaidi Kamla, Mohammed Ashraf, & Maqableh, 2017). Therefore, we propose the hypothesis:

H4. Habit positively influence behavior intention to use digital banking

H5. Habit positively influence use behavior of digital banking

Performance expectancy

Performance expectancy derived from TAM's construct namely perceived of usefulness (Ammenwerth, 2019). Performance expectancy represents the customer's perception of the utilitarian purpose of technology usage (Hossain, Quaresma, & Rahman, 2019). To use technology, customers will consider the usability of technology to achieve their goals. A study by Diep, Cocquyt, Zhu, and Vanwing (2016) proved that performance expectancy is a significant predictor in explaining technology acceptance. This postulation was strengthened by some studies, for instance, Aswani, Ilavarasan, Kar, and Vijayan (2018), El Ouiridi, El Ouiridi, Segers, and Pais (2016). Thus, we assume the hypothesis:

H6. Performance expectancy positively influence behavior intention to use digital banking

Price value

The predictor of technology acceptance ranging from the technological aspect to the economical aspect (Putranta, Alamsyah, Tan, & Tamara, 2020). The monetary cost of the technology used is known as price value. Yasmin and Grundmann (2019) argued that technological innovation burdening customers with several costs, namely economic risk costs, evaluation costs, learning costs, and setup costs. The price value is the trade-off between the benefits received by customers and the monetary costs incurred by customers (Seuwou, Banissi, Ubakanma, Sharif, & Healey, 2017; Venkatesh et al., 2012). Customers who feel that the technology is reasonable compared to its benefits are likely to adopt (Baishya & Samalia, 2020; Kamilah & Kusumawati, 2019). Therefore, we propose the hypothesis:

H7. Price value positively influence behavior intention to use digital banking

Social influence

Social influence defines as the degree to which an individual perceives that the important others believe he or she should use or adopt the innovation (Park, Ahn, Thavisay, & Ren, 2019; Venkatesh et al., 2003). It refers to the customer's perceptions of the significant aspects of using digital banking by their social circle, for instance, their relatives, colleagues, or friends. To be accepted by their social environment, customers follow the group or social norms (Osatuyi & Turel, 2019). The intention or decision of individuals to adopt digital banking may be influenced by others. To have a better and closer social relationship, the customers use the same technology used by other people. Also, the use of digital banking aims to banking transactions involves many parties, for example, transfers between accounts. So that one's intention to use technology depends on the extent to which the technology is used by other people or the expectation of others that the individual should contribute to digital banking. This study relies on Kunz and Santomier (2020),

and Talukder, Chiong, Bao, and Hayat Malik (2019) who found that social influence is a critical factor in technology adoption. Opinion and reference from people around the customers affect the adoption behavior (Pentina, Koh, & Le, 2012). Hence, we formulate the hypothesis:

H8. Social influence positively influences behavior intention to use digital banking

Behavior intention and use behavior

Intention can be assumed as the antecedent of use behavior (Driediger & Bhatiasavi, 2019; Venkatesh et al., 2003). It indicates the customer's willingness to try and their effort to use technology. Intention represents a plan that the individual makes about himself or herself in the future (Parkins, Rollins, Anders, & Comeau, 2018; Söderlund & Öhman, 2005). In this study, behavioral intention is a measurement of the perceived likelihood that customers will adopt digital banking. Use behavior can be explained as a degree or actual manner in which consumers employ technology or system. Some studies operationalized use behavior as actual usage. Use behavior related to the amount or frequency (Isaac, Abdullah, Ramayah, & Mutahar, 2017), extent (Carter, Petter, Grover, & Thatcher, 2020), and purpose of use (Theis et al., 2019). Even though many factors can affect the relationship between intention and use behavior, but some findings in consumer behavior studies show that intention is a good predictor of consecutive behavior (Ajzen, 2005; Makanyeza, 2017; Sobti, 2019). Consequently, we postulate the hypothesis:

H9. Behavioral intention positively influences the usage of digital banking

Methods

The data in this study collected by a structured questionnaire. There are three sections in the questionnaire. The respondent's demographic data portrayed

in the first part and summarized in Table 1. The effort expectancy, facilitating conditions, hedonic motivation, habit, performance expectancy, price value, social influence, and social influence variables measured in the second part. The last part of the questionnaire focused on behavioral intention and use behavior. Five-point Likert scale question applied in the second and the third part of the questionnaire, where 1 stand for "strongly disagree" and 5 stands for "strongly agree".

Sample and Data collection

A preliminary study held in December 2019 to identify the shortcomings of the questionnaire. After validating the questionnaire's items, the questionnaire distributed to 40 respondents. Some phrasing corrections were made on the item. Empirical research used a non-probabilistic sampling method. A total of 281 respondents participated in the survey by using a purposive sampling technique. The criteria of the respondents are the consumers that use digital banking minimum for 3 months and use it for a private transaction. The survey carried out both online and offline.

Results

To test the relationship between the variables, this research used variance-based structural equation modeling (PLS-SEM). Compared to CB-SEM, PLS-SEM can be used to a complex model, small sample size, non-normally data distribution, formative measures, and predictive and exploratory research. All the collected data were analyzed using the Smart-PLS software version 3.0. To recognize the outer loading and outer weight, the significance level of each item, and the significance of the path coefficients, the PLS algorithm was used. While testing the hypothesis, the bootstrapping technique was performed (Ali, Rasoolimanesh, Sarstedt, Ringle, & Ryu, 2018).

Table 1. Demographic Characteristics

	Frequency	(%)
<i>Gender</i>		
Male	123	43.8
Female	158	56.2
<i>Period of use</i>		
>36 months	111	39.5
26 – 35 months	33	11.7
18 – 25 months	53	19
10 – 17 months	42	14.9
3 – 9 months	42	14.9
<i>Income (IDR)</i>		
<1 million	21	7.5
1 – 3 million	66	23.5
3 – 5 million	120	42.7
>5 million	74	26.3
<i>Education</i>		
Highschool	71	25.3
Diploma	15	5.3
Bachelor	185	65.8
Master	10	3.6
<i>Occupation</i>		
State owned corporation employee	89	31.7
Housewife	1	0.4
Private sector employee	115	41
Government officer	7	2.5
Student	69	24.6

Source : Processed data

Measurement model

The reliability and validity of the measurement models were measured before examining the structural model based on the previous literature by Fornell and Larcker (1981). The loading factors or correlations of the indicator with the respective latent variable in Table 2 illustrate the individual reliability. Cronbach's α coefficient was employed as the index of latent variable reliability which specifies how precisely observed variables are measuring the same latent variable (Cronbach $\alpha > 0.7$ were accepted). Furthermore, composite reliability was estimated to measure the unidimensionality. The convergent validity of the variable was examined by evaluating the average variance extracted (AVE > 0.5 were accepted). Table 2 shows Cronbach's α coefficient, composite reliability, and AVE. The square root of AVE from each latent variable is larger than the correlations with the rest of the latent variable presented the discriminant validity. The Heterotrait-Monotrait (HTMT) ratio shows good

scores, almost all below 0.9 (Table 3). In summary, the results ensure that the measurement model is adequate

Structural model

The structural model assessed by estimating the path loadings and the R² values. Path loadings demonstrate the strengths of the independent variables and the dependent variable relationship. Meanwhile, the predictive power of the structural models was depicted by the R² values. In other words, the R² indicates the amount of variance explained by the exogenous variables. Hypothesized relationships are explained by the path loadings and t-statistic with using a bootstrapping technique. The results are shown in Figure 1. The results show that the values of R² have been particularly high which is 0.629 for BI and 0.639 for UB. SRMR composite factor model used to measure the overall model fit. The value is 0.065 indicating good model fit (J. Henseler et al., 2014; J. Henseler, Hubona, & Ray, 2016).

Table 2. Loading factors, Cronbach's Alpha, Composite Reliability, and Avergae Variance Extracted

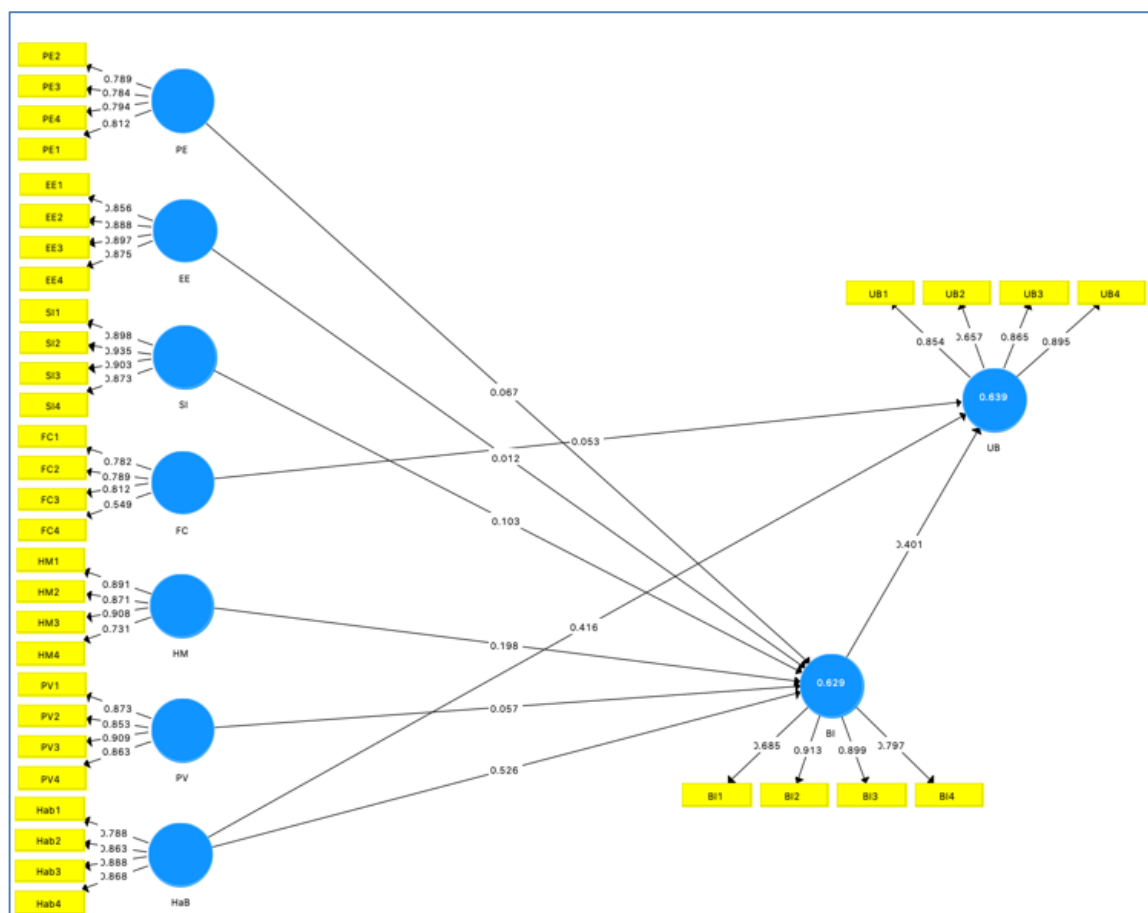
	Loading Factor	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Behavioral Intention		0.843	0.896	0.686
BI1	0.685			
BI2	0.913			
BI3	0.899			
BI4	0.797			
Effort Expectancy		0.902	0.932	0.773
EE1	0.856			
EE2	0.888			
EE3	0.897			
EE4	0.875			
Facilitating Conditions		0.725	0.826	0.548
FC1	0.782			
FC2	0.789			
FC3	0.812			
FC4	0.549			
Hedonic Motivations		0.873	0.914	0.728
HM1	0.891			
HM2	0.871			
HM3	0.908			
HM4	0.731			
Habit		0.874	0.914	0.727
Hab1	0.788			
Hab2	0.863			
Hab3	0.888			
Hab4	0.868			
Performance expectancy		0.806	0.873	0.632
PE1	0.812			
PE2	0.789			
PE3	0.784			
PE4	0.794			
Price value		0.898	0.929	0.765
PV1	0.873			
PV2	0.853			
PV3	0.909			
PV4	0.863			
Social influence		0.925	0.946	0.814
SI1	0.898			
SI2	0.935			
SI3	0.903			
SI4	0.873			
Use behavior		0.838	0.892	0.678
UB1	0.854			
UB2	0.657			
UB3	0.865			
UB4	0.895			

Source : Processed data

Table 3. Heterotrait-Monotrait Ratio (HTMT)

	BI	EE	FC	HM	HaB	PE	PV	SI	UB
BI									
EE	0.469								
FC	0.730	0.662							
HM	0.745	0.538	0.813						
HaB	0.881	0.478	0.684	0.758					
PE	0.634	0.695	0.746	0.716	0.651				
PV	0.577	0.524	0.713	0.636	0.571	0.570			
SI	0.361	0.103	0.379	0.255	0.321	0.148	0.309		
UB	0.874	0.433	0.636	0.728	0.867	0.596	0.541	0.330	

Source : Processed data

**Figure 1. Structural model**

predictive power of the structural models was Five of the nine proposed hypotheses were supported (H3, H4, H5, H8, and H9). The results indicate that the intention to use and use behavior of digital banking is mainly explained by habit, with a value of 0.526 and 0.416, respectively. Furthermore, the intention to use also explained by

hedonic motivation (0.198) and social influence (0.103). The rest of the construct, that is effort expectancy, facilitating conditions, performance expectancy, and price value, have no significant relationship.

Discussion

The purpose of this study is to analyze the unified theory of acceptance and use of technology 2 (UTAUT 2) proposed by Venkatesh et al. (2012) in a digital banking context. The results indicate that UTAUT2 is an acceptable model to analyze digital banking usage. An adequate R² obtained, although several constructs have no significant effect.

The study found that habit and intention role as the main antecedents of usage. The main antecedents of the intention to use digital banking are habit, hedonic motivation, and social influence. The predictive power of habit, is the highest. It could be because habit is a goal-directed automatic response. As digital technology penetration has encouraged most of the people to technology literate, and its usage becomes part of their life and habit. A habit created when people continually do the same actions and without allotting much thought or rational analysis (Gardner & Rebar, 2019). When a behavior becomes a habit, it becomes automatic, and decisions made without consciousness. Especially when the actions lead to satisfactory goal achievement, it will stimulate them to have more intention to do an action, which in this context is to use digital banking. Over the past two decades, people have been exposed to the internet and cellular technology both at work and home, and they tend to use technology more often (Aswani et al., 2018). Consumers can access the services at any circumstances, anywhere, and at any time.

The next variable with a significant effect is hedonic motivation. As digital banking considered relatively new technology, consumers perceived that digital banking has beneficial services and brings enjoyment. Consumers feel pleased and glad to use digital banking through its features and functions. They feel engaged during the usage and activity of digital banking. The study by Madigan, Louw,

Wilbrink, Schieben, and Merat (2017) and Tak and Panwar (2017) support the finding. The third construct that affects behavior intention is social influence. This result confirms the finding of previous studies by Hossain et al. (2019), Talukder, Shen, Hossain Talukder, and Bao (2019), and Park et al. (2019). Indonesia has a collectivist culture that having a high value of group (M. Gupta & Sukanto, 2020; Hofstede, 2005). Consumer's intentions affected by other's opinions and information who have already use digital banking. Other consumers that already experienced and found that digital banking brings advantages in their daily life will have a positive feeling. This feeling will direct them to influence the people in their social life to commit to the technology.

Effort expectancy as the degree of ease associated with consumers' use of technology has no significant effect on behavior intention. It can be explained that to use digital banking, consumers do not need an extra endeavor. They can simply and easily access the application in their phone, tablet, or computer. They do not have to ask help from the expert to install the application. Furthermore, there is no special skill needed to operate digital banking. Consumers do not need to take training in order to mastery digital banking technology. This finding coincides with Hossain et al. (2019) and A. Gupta, Dogra, and George (2018).

Another variable that does not have a significant relationship with behavior intention is facilitating conditions. To be able to take advantage of digital banking, consumers do not need a complex and huge infrastructure. They only need a gadget with some specifications and an internet connection. This study in line with Arenas-Gaitán and Ramón-Jerónimo (2015) and Abed (2018). According to Venkatesh et al. (2003) and Zhou et al. (2019) facilitating conditions significantly affect technology usage when containing age and experience. Performance expectancy also does not have significant relationships with behavioral

intention. In the digital banking system, consumers choose to use it because of their free will without any compulsion from their supervisor or boss. This finding also supported by Dhiman, Arora, Dogra, and Gupta (2019) and Yaseen Saad and El Qirem Ihab (2018). The last variable that does not have a significant effect on the behavior intention is price value. It is probably due to the direct cost attributable to digital banking is minimum and even free. This result validated by Tarhini et al. (2017).

Conclusion

This study provides valuable empirical evidence both to theory and practice. Speaking of theoretical implications, this study has successfully implemented the UTAUT model in digital banking setting and context. The analysis acknowledged that the model explains 62,9% of the variance in behavioral intention and 63,9% in the use behavior of digital banking. This study is one of a few that shows some constructs was not supported which is effort expectancy, facilitating conditions, performance expectancy, and price value. It reflects that additional research need to conduct, especially in the context of digital banking.

Build upon the factors affecting digital banking in Indonesia, this study is expected to contribute to the banking industry practices. The decision-makers can gain a better understanding of improving the digital banking platform. Concerning habit, the digital banking application developer needs to focus on the routinely used platforms and features. When considering developing the digital banking application, the developer and decision-maker need to assure that the different channels have similar components, user-friendly, and easy to use. So, it will reduce the unfamiliarity matters.

One way that could enhance the hedonistic motives, the decision-maker and developer can use gamification in digital banking.

Gamification aspects can implement by giving points to customers that use digital banking platforms for their financial transaction. Later, consumers can redeem the point for products or services. Applying the game mechanism in the system, will escalate the fun and enjoyable aspects and further motivate the consumers the use the digital banking.

According to the pivotal role of social influence, it is recommended that the marketer and the system developer should emphasize relationship marketing in an attempt to intensify connection with the customers. They must manage to satisfy the clients, so the client will have a great impression and favorable opinion which they will share a positive word of mouth to others.

This study has several limitations. First, this study used cross-sectional data, which may not enough to reflects the actual acceptance of digital banking. Longitudinal data may be used in future studies to better explore the causal relationship among variables. Second, this study only relied on UTAUT2 variables as theoretical foundations. Although UTAUT2 is an established model, it would be more comprehensive if future research adding other constructs that relevant to the digital banking context. Socio-demographic variables also need to be considered to enrich this study. Socio-demographic variables can be positioned as moderating variables.

Notes on Contributors

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