CHAPTER I
INTRODUCTION

1.1. Background

Digitalization has become a topic that is highly anticipated by many, along with the sophistication of technologies. The update even occurs to the most crucial gadget that people are always using, the smartphone assists the way people engage in day-to-day activity. The process of converging conventional activity is happening rapidly. For instance, the act of selling products have now converged into e-commerce, which is a commercial activity that is done electronically (Kracher & Corritore, 2004). What is currently happening with commercial activity is only one out of humongous examples of how digitization has shifted people's way to do things. Furthermore, the truth on how COVID-19 struck the civilization in the middle of digitalization has so far, helped us prepare in accommodating such conventional activity to computer-mediated interaction (Kasai et al., 2021).

Changes also inevitably happen in the financial sphere, according to Jünger & Mietzner (2020), the implementation of digitalization in financial sectors is not only causing a major change in how people would perform on the daily basis, but it has also created varieties of new facilities such as mutual funds, automatic savings, online registration, and mobile payment system. Along with the rapid sophistication in the banking system, that coalescing a conventional thus the technology provided by it, and called as "Digital Bank", which gives any services a conventional bank can provide in the palm of the users (Alkhowaiter, 2020). A new era comes with new competition. And in the region of southeast Asia, in which most of the countries are in the developing stage, digitalization is a field of opportunity, specifically for the conventional bank to attract new customers to join their parade in the era of the digital bank.
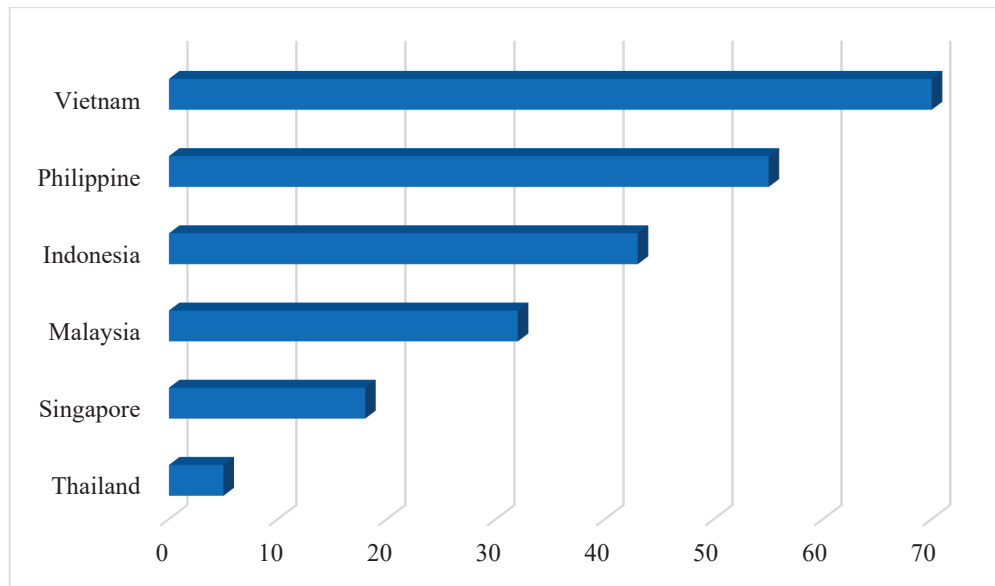
Figure 1. 1. Monthly Growth of Acvite Digital Finance Services Users in Southeast Asia
Source: (Katadata, 2021)

According to the data, in Q3 2020, Indonesia is at 3rd place on the growing active users in the region. This opportunity is supported by the changing behavior of society. The eagerness on being cashless, unperplexing procedure, reliable thus beneficial features, affordability, financial literacy and trustworthiness have become several reasons why people endure the digital banking financial services (Jünger & Mietzner, 2020, Sengupta et al., 2021, Hammoud et al., 2018). In Indonesia, there will be at least 12 expected digital banks operating nationwide (Katadata, 2021). And by focusing the scope of the current stage on behalf of opportunity, there is still enormous space for everyone. Therefore, considering the number of competitors, low level of financial literation, and rapid change in the digital era, these so-called digital banks are welcome to secure their places. One way to do so is through advertisement. Advertisement exposure is one phrase that contains two meanings, it is the cause and the effect. Advertising according to Shimp (2007: 240) is a paid form of communication through media that is designed to influence recipients to take certain actions in the present or the future. However, along with the development of the digital platform, the explanation of advertisement has lost two of its attributes, which are the mass and paid. The insignificances of the two is due to

the nature of the nowadays media, where people could create their advertisement instead of paying a media to do the work thus, the permeability of social media being instead of having such uniform audiences is varied and divided through the complexity of algorithm process (Thorson & Rogers, 2019). On the other side, exposure is a situation where the audience interacts intentionally or not with messages from advertisements (Shimp 2004: 240). Combined, the meaning of advertisement exposure is the situation of being exposed to the advertisement which created such intended effects. (Thorson & Rogers, 2019; Ahmed, Mahmood, Ahmad., 2016).

According to the article published by CNBC, data shows that from 2020 to 2021 users of the conventional banking system, especially ATM (Automatic Teller Machine) have reportedly decreased (CNN, 2021). According to this article, 3 reputable banks have stated that the decline of conventional banking is caused due to the situation of the pandemic. Livin' by Mandiri for instance, have retracted 5.000 units of its ATM nationwide and planned to optimize their digital services that have achieved approximately 7.1 million active users. On the other hand, BNI, another state-owned bank also has reported a 24 percent rise in their app users with a staggering 140 percent increase in transaction frequency. Last but not least, BCA or Bank Central Asia also have reported that their current customer transactions are composed of 80 percent online and only 13 percent done through ATM.

This shows how serious other well-known conventional banks are in competing as fast as possible to adopt the technologies to assist the demand during the rapid pace of change in these digital shifts. Their serious commitment has brought them into a situation where the focus shifts to the "digital era". The phenomena of closing many branches and ATM units thus improving more on their M-Banking, in terms of performance and client's adoption of the services. These changes of behavior in customer's preference to do the transaction online are also boosted by the pandemic situation, forcing banks to take the leap of faith within the competitive era of digitalization or be left by their customer due to unfulfilled demand (CNBC, 2021).
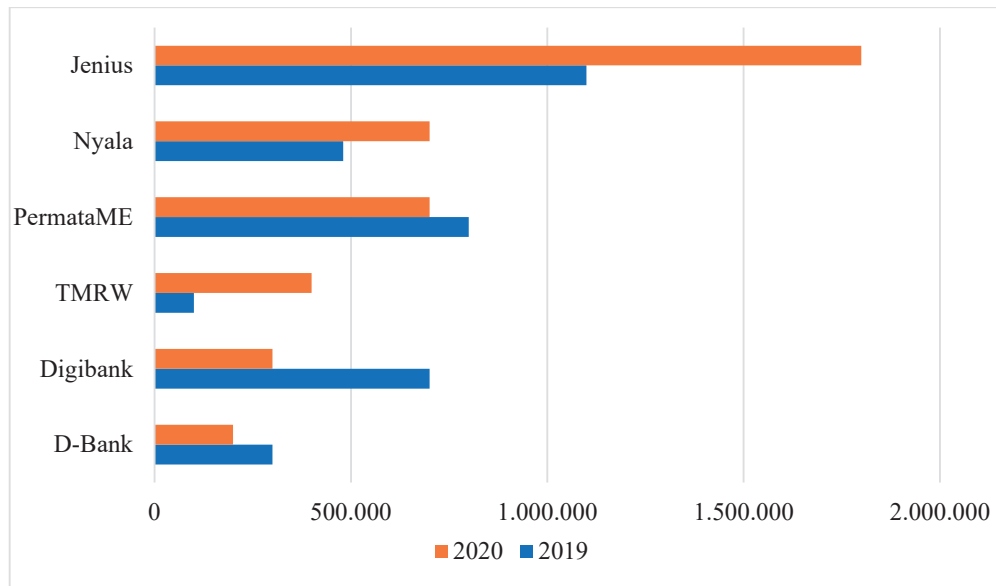
Figure 1. 2. Downloaded Digital Bank Apps
Source: (Databoks, 2021)

Taken as an example of how Digital Bank's eager to secure their place in such a competitive market of the financial services industry, since 2019, OCBC NISP has been drastically shifted their focus to the youth by advertising their product called #TAYTB Nyala by OCBC NISP. these advertisements and media events are involving several well-known public figures that ranging from actors, content creators, musicians, stand-up comedians, and influencers, ranging from Youtube to Instagram. Moreover, in 2019 OCBC NISP, in collaboration with Brian Immanuel, or well-known as Rich Brian, a rapper thus songwriter tribute one song out of 12 songs in his album named "The Sailor", titled "Kids" to advertise their slogan #TAYTB Nyala and yield currently more than 11 million views (88Rising, 2019).

Another player is BCA Digital by BCA has recently been taking a big step in the Digital Bank competition. Bringing the name of the largest private bank in Indonesia, BCADigital with their slogan called #YangPentingLakuin, and their apps named Blu have shown how even the big players are ramming their grasp on the Digital Bank. Referring to their ads on YouTube (Digital, 2021), services they have to offer are as expected from a Digital Bank's ability to provide. This includes an ability to create 10 savings models in a single bank account, expenses

sharing across BCA Digital users through a feature named BluGether, and many more features.

A messaging app, Line has also collaborated with KEB Hana Bank, which is a Korean bank, forming a Digital bank named LINE Bank (Linebank, 2021). This digital bank using the motto #CaraLain and offer their users with high-interest deposit are joining the race. Although the services they have to offer sounds generic, their interest point is by employing the famous cartoon mascots from LINE chatting apps as their way of promotion. By creating an account in LINE Bank, customers have the option to customize their physical debit card with Line cartoon mascots. Last but not least, each cartoon has different color thus, the card will be delivered through the expedition.

Another article underlines how many large conventional banks are changing their direction to digital bank. Several companies were also tantalized by the bright foreseeable future in digital bank, by purchasing several small banks and armed it with the badge as a "digital bank". One prominent case example is how Gojek, a giant fintech company that plays role in online transportation has reportedly bought a small bank named Bank Jago which then makes it a digital bank in an attempt to integrate its already-existed financial flows. Several E-commerces, such as Shopee and Akulaku also join the rally by transforming small banks into digital ones (Kompas, 2021).

This phenomenon of the all-at-once release of the digital bank would create a highly competitive environment, where one digital bank and another are proclaiming their ability to do things better than others for sake of new customers possess their digital bank account. Hence, there are many ways to attract new customers to finally prefer to deposit their money in a sophisticated bank, which is their previous experience in using mobile and internet banking services provided by commercial banks. Previous experience can also be described as the feelings resulted from confronting certain events. In this context, we have seen how people are getting used to mobile and internet banking, where these two platforms do provide a banking solution without having to come to the bank. The most salient difference between these two is how digital bank has committed to being fully virtual thus, the traditional method in creating an account, where people need to

visit the offline branch, signing papers by papers, are replaced by virtually reading the terms and conditions. People would only need to download the apps and the rest of the process is done virtually (Hidayati, 2020). He (Et. Al., 2015) describes that a positive experience after engaged with the product does affect the attitude towards the services.

As promising a future as digital bank has to offer, the digital world also has risks to be considered. According to Databoks (2020), cybercrime had significantly increased across Indonesia, and online fraud is placed at 2nd highest, right before cybercrime of online provocative post.
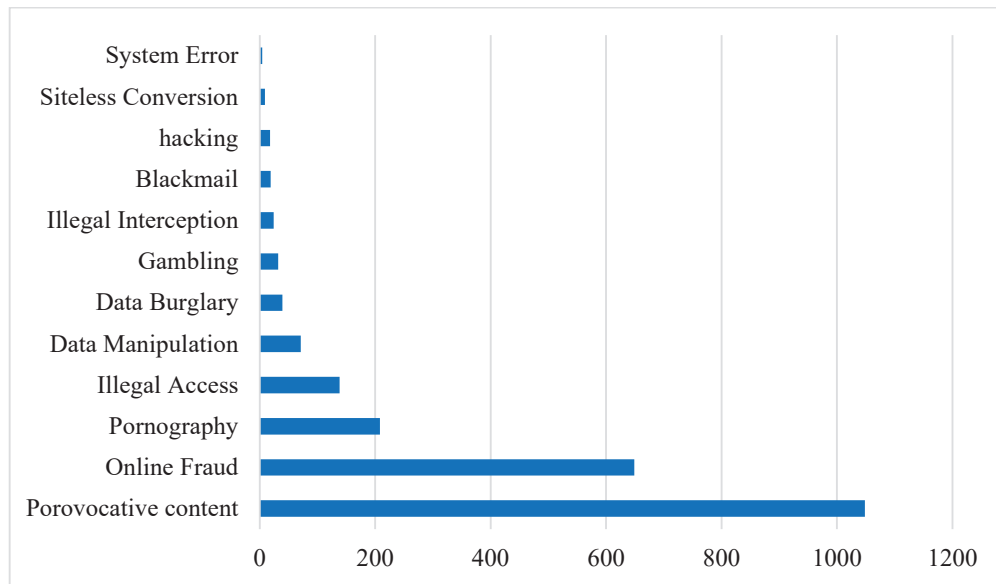

Figure 1. 3. Graphic of Cybercrime Cases in Indonesia by 2020
Source: Databoks (2020)

One case that can be used as an example in reflecting the risks of digital bank is what one of the customers of Jenius by BTPN encounters (CNN, 2021). A customer lost a sum amount of money without consent in doing any transactional activity within the apps and has had a legal report in the case he experienced. The data above also shows how tricky the online world is, in terms of anything related to the privacy of the customers, which in this context are data thievery, and data manipulation.

Consumers are now faced with the rapid change in the digital world, offering various options in their demand for financial solutions. Conventional

banks now are investing more to their M-banking services improvement to attract newer customers, thus, appeals their current customers to use the M-banking services they have to offer, take it another step forward, BTPN, OCBC NISP, and even the leader in Indonesia's banking industry, BCA, are even expand their services to digital bank. On the other side, the so-called "Digital Banks" are on the hunt of attracting as many new customers as possible by offering all-in-one banking services within their mobile application, simultaneously keeping up with a fast improvement in the digital sphere.

Furthermore, related to this topic is the growth of brand awareness, which is the ability of the consumer to recognize thus recall a brand within their mind (Azzari & Pelissari, 2020). By using the explanation from Mirabi (Et. Al., 2015), it can be said that purchase intention is the study related to the habit, attitude, and perception of consumers in the decision-making process of purchasing a certain product in a certain condition. This definition then adds that it as well includes the perception of how people would feel after purchasing the product. Simply put, it is described as the degree of willingness by the consumer to buy the product (Zhang et al., 2020).
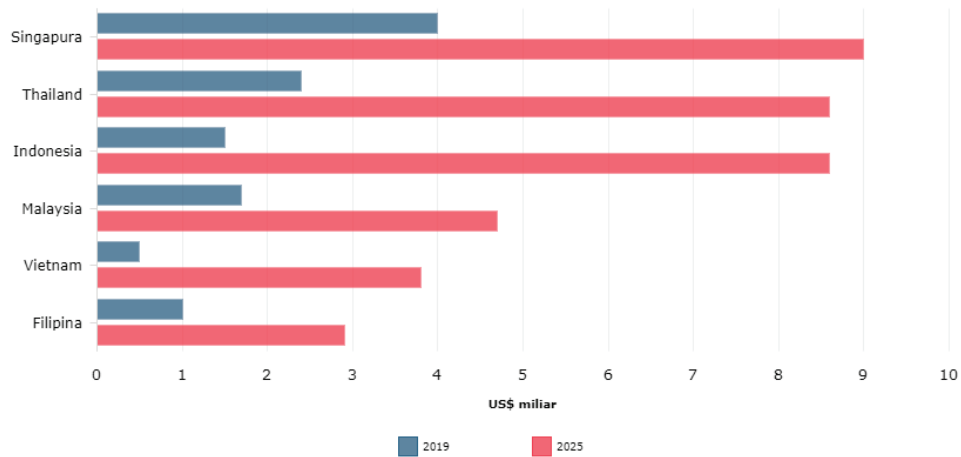

Figure 1. 4. Graphic of Fintech Income in 2019 and Expected in 2025
Source: (Databoks, 2019)

However, although certain critical aspects are yet to be improved in digital bank, it is expected that by 2025, the financial digital company would grow to

USD 8.6 Bn, and it is only in Indonesia alone. Therefore, considering this market opportunity, digital bank still has room to grow and secure its place within the local environment.

Last but not least, using the explanations regarding the digital bank and their effort to create waves of exposure, the question that arises from this situation is whether the advertisements, user's awareness, and user's experience on using M-banking have any effect toward people's intention to create an account.

1.2. Research Problem

The competitive market in financial technology is just starting, pulses of innovation are always ready to be implemented in this digital era. One innovation that is still growing is digital bank, providing the one-stop financial solution for their customers without any necessity to physically come to the office. This improvement is followed by the already existing conventional bank, investing more and more in their M-banking apps, to attract their customers and possibly new ones. Compare to what digital bank achieved, the growth of M-banking users are almost 7 times higher.

On the other hand, looking through the company's performance in innovation and advertisement, many of these banks have shown their enthusiasm in joining the competition through the advertisement that involving the introduction of their distinguished features, without disremembering the participation of public figures and attractive content to appeal customers to be enticed to create an account, especially with an unperplexing procedure to do so. However, considered features they have to offer, there are still some downsides in user's skepticism on how secure these digital banks are, knowing there are some cases of customers losing their savings without any knowledge, considering their notably fresh start in the financial industry.

Therefore, the aim of this research is to find whether there is an effect of the exposure of digital bank advertisements, user's experience on using M-banking, thus brand awareness has any effect toward people's intention to create an account.

1.3. Research Objective

Using the data perceived for this research, there are few yielded objectives proposed, which are:

- To analyze the effect of digital bank advertisement exposure toward intention to create an account
- To analyze the effect of user experience on using M-Banking toward intention to create an account
- To analyze the effect of digital bank brand awareness on intention to create an account.

1.4. Research Significance

1.4.1. Theoretical Significance

This research could provide the explanation of whether digital ads during the enhancement of M-Banking services entice the customer to put their money on the line.

1.4.2. Practical Significance

This research could be used as a source of reference for the company, especially the banking industry in assisting the financial technology shift among the customers.

1.4.3. Social Significance

Provide literacy to the people on the differences between M-banking and Digital Bank and how would both of the objects signify one another.

1.5. Theoretical Thinking Framework

1.5.1. Research Paradigm

The paradigm is essentially an attempt to find the truth or an attempt to further justify truth. The paradigm according to Baker (1992) is a fundamental way to perceive, think, assess and do something specifically related to the vision of reality. The paradigm used is the positivistic paradigm, namely, a symptom can be classified, and the relationship is

causal (causation), and believes that human behavior is affected and determined by external stimuli. Therefore, the focus of this research is on only a few variables (Singh, 2007).

1.5.2. State of The Art

Research conducted by Moritz Jünger and Mark Mietzner in Germany titled Banking Goes Digital: The Adoption of FinTech services by German Household employs 324 German Household, consist of respondents between 19 to 70 years old, with an average age of 31, analyzes what factors do levitate the preference of people to move on FinTech product. This research was conducted through an online survey, assist with the theoretical framework of the Technology Acceptance Model or (TAM) concludes that there are several keynotes for the consumers to switch from conventional financial services to FinTech, which are, business model innovation, Investment in Digital offerings and higher service quality. Last but not the least, financial literacy also plays a significant role in people adapting toward FinTech services. (www.sciendirect.com, 2021)

A study done by Nguyen, titled Factors Affecting the Intention to Use Digital Bank in Vietnam tries to evaluate the factors affecting the intention to use digital banking in Vietnam. Through multivariate data analysis on 201 customers possess access to digital banking, the research finds that attitude toward the service and, perceived usefulness has a positive effect on the intention to use digital bank. Moreover, perceived usefulness has a positive effect on the attitude toward the services. Ease of use resulted in the positive impact on the perceived usefulness. On the other hand, perceived risk contributes a negative effect on the attitude toward the service. Trust, here, has a positive effect toward the perceived risk yet no effect on the attitude toward the service. Last but not least, convenience does not affect the intention to use digital banking. (www.koreascience.or.kr, 2020).

A journal published by Alkhowaiter in GCC countries titled digital payment and banking adoption research in Gulf countries: A systematic literature review aims to provide the best predictors for digital payment and banking adoption in GCC countries by reviewing 46 studies available to the case. this study concludes that trust, perceived security and perceived usefulness are the best predictors in researching the adoption of digital payment and banking services. (www.sciencedirect.proxy.undip.ac.id, 2020)

Research conducted by Parajuli toward Nepalese Commercial Bank in Kathmandu, Nepal titled Impact of Celebrity Endorsement on Customer Behavior in Nepalese Commercial Banks aims to analyze the generated effect of celebrity Endorsement toward Customer Behavior. Formed as descriptive research, this case study uses primary data collected from the survey of 209 respondents consist of 81 Male and 128 Females. The result of this descriptive statistic concludes that there are shifts in customer behavior as a latter effect of celebrity endorsement done by Nepalese Commercial Bank. However, regression resulted differently. Hence, this research suggests strategic decisions in the employment of celebrities thus, consider the celebrity's degree of legitimacy among the society. (www.nepjol.com, 2021).

One study taken by Jebarajakirthy and Shankar in determining the impact of online convenience toward the adaption of mobile banking titled Impact of online convenience on mobile banking adoption intention: A moderated mediation approach study on what online factor caused people to adopt the technology of mobile banking. This research was involving 446 banking customers in India and uses the systematic sampling in collecting the data. The result of this research is that people tend to adopt mobile banking due to access convenience, transaction convenience, benefit convenience, and post-benefit convenience. (www.sciencedirect.proxy.undip.ac.id, 2021).

Looking through the previous research engaged in the industry of financial technology, and one of them is digital banking. However, the

current interest point now is regarding to the adoption of the technology. Considering the span opportunity of the topic, this research will analyze the other variables that yet need to be explore, especially by the means of strategic communication. Through this research, the latter yielded result could contribute to the industry as a source of reference in terms of decision making.
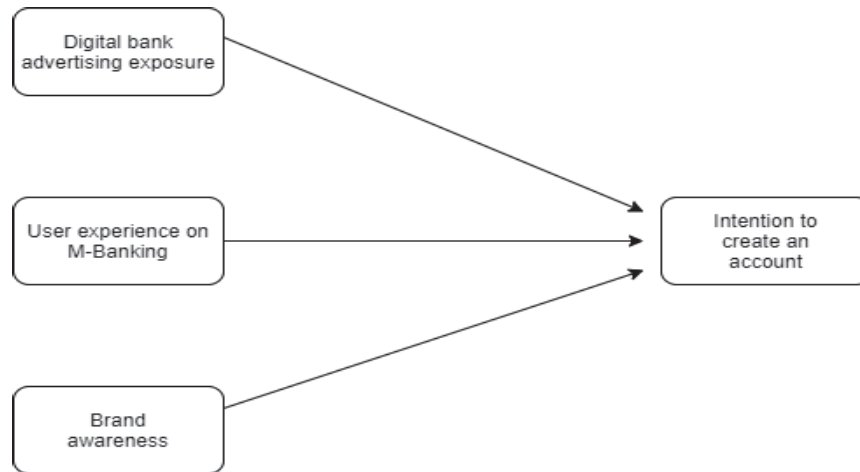
1.6. Theoretical Framework

Figure 1. 5. Theoretical Framework

1.6.1. Advertisement Exposure

According to Shimp (2004), exposure is a condition where the audience interacts intentionally or not through activities such as hearing, seeing, listening, reading with messages from advertisement through a media where it diffused or advertised.

To make a good impact, exposure impact should be used to increase attention to stimuli. The familiarity of the brand was evaluated in research conducted by (Ahluwalia, 2002) based on written positive and negative information. Celebrity brand promotions provide brands a lot of exposure, which leads to positive brand perception and relationships (Dissanayake & Weerasiri, 2017). As a result, when the brand was unfamiliar, unfavorable information was found to be supportive of a negative impact. In the case of a well-known brand, the opposite was true.

As a result, it is also claimed that brand familiarity lessens the sense of increased negative information analysis. Furthermore, when applied objectively, positive information may be seen as more important than negative information under similar circumstances.

Advertising's importance has increased significantly in today's business marketplace. Advertising takes up a larger portion of the entire promotion budget than other promotional tactics. Each year, a significant portion of a company's revenue is spent on advertising its products and services (Higie& Sewall, 1991; Kim, 2007). Companies' concerns about the effectiveness of their advertising efforts have grown significantly as a result of such large expenditures. However, in the advertising industry, advertising effectiveness has always been a major concern (Jeong, 2004). Studies have attempted consistent recall as one of the major factors of advertising success to measure the memory performance of advertisements (Till &Baack, 2005; Stone, Besser & Lewis, 2000). The primary reason for this is that it assesses the possibility of a brand's existence in consumers' minds (Loudon & Della Bitta, 2002). In terms of the impact of advertising exposures on consumer memory, multiple studies have shown that exposure levels are closely related to consumer cognition, resulting in a higher recall. According to studies, increased levels of advertising exposure provide advertising consumers with more opportunities to feel and process advertising information at a deeper level in their thoughts. Respondents' recall is much higher in three exposures than in the first and second, according to Cacioppo and Petty (1979).

1.6.2. User's Experience on M-Banking

This phenomenon of the all-at-once release of the digital bank would create a highly competitive environment, where one digital bank and another are proclaiming their ability to do things better than others for sake of new customers possess their digital bank account. Hence, there are many ways to attract new customers to finally prefer to deposit their money in a sophisticated bank, which is their previous experience in using

mobile and internet banking services provided by commercial banks. Previous experience can also be described as the feelings resulted from confronting certain events. In this context, we have seen how people are getting used to mobile and internet banking, where these two platforms do provide a banking solution without having to come to the bank. User experience can be defined as the perception of the consumers, during, before, and after the engagement with the object (Garrett, 2011). The most salient difference among these two is how digital banking has committed to being fully virtual thus, the traditional method in creating an account, where people need to visit the offline branch, signing papers by papers, are replaced by virtually reading the terms and conditions. People would only need to download the apps and the rest of the process is done virtually (Hidayati, 2020). He et.al. (2015) describe that a positive experience after engaged with the product does affect the attitude towards the services.

1.6.3. Brand Awareness

Almost all brand equity models identify awareness as a crucial influence (Aaker 1991, Kapferer 1991, Keller 1992, Agarwal and Rao 1996, Krishnan 1996, Na, Marshall and Keller 1999, Mackay 2001). Keller (2003, p.76) defines awareness as "the ability of customers to recall and recognize the brand as shown by their ability to identify the brand under various settings and to relate the brand name, emblem, symbol, and so forth to certain associations in memory." Apart from identification and memory, Aaker (1996) distinguishes several higher degrees of awareness (Aaker 1991). Top-of-mind, brand domination, brand knowledge, and brand opinion are some of the terms he uses. According to Aaker (1996), awareness is vital for new or niche brands. Recall and top-of-mind are more sensitive and important for well-known businesses. Brand recall can be improved in part by incorporating brand knowledge and brand opinion. The Y&R and Total Research programs employ similar metrics. Brand awareness, according to Aaker, must come before brand associations. To

build a set of associations, a consumer must first be aware of the brand (Washburn and Plank 2002).

Brand awareness plays a vital role in encouraging consumer repeat buy behavior (Sasmita & Suki, 2015; Macdonald et al., 2000). Along with brand awareness, people identify the brand with a certain product; the goal is to build and maintain a force in the consumer's mind (Aaker, 1996). According to a previous study, brand awareness has a favorable impact on brand image. It will be easier to establish a positive brand image if customers are more aware of a brand (Hyun & Kim, 2011; Yang & Peterson, 2004).

Brand awareness is one of the most essential aspects influencing brand strength and, as a result, contributing to its competitive advantage, according to the literature on brand management (Urbanek, 2002). As a result, brand awareness measurement is becoming increasingly important in modern business practices. Brand awareness is the most basic sort of brand knowledge, requiring at the very least the recognition of a brand's name or a structure based on specific information. Brand awareness is the ability of a consumer to recognize and recall a brand in a variety of contexts, and it is the most basic and important constraint in any brand-related search. A consumer's decision to buy a product is influenced by brand awareness. When a customer is ready to purchase something, they considered the brand. If a consumer is well-informed about the brand, they will have more purchasing options and will always make wise choices. Building a strong brand is a company's most significant goal, as it affects not only short-term revenues but also long-term profits. As a result, a good brand management team's purpose is to create a brand that will exist for decades and can add new items. (Keller, 2003; Kapferer, 2004). Aaker's Brand Equity Model and Keller's Customer-Based Brand Equity Model are both concerned with the consumer's perception and appraisal of a brand.

1.6.4. Purchase Intention

"Any person or organization who makes use of a service or a commodity." The consumer is an important part of the economic system since he pays for the goods and services produced. If there isn't enough customer demand, producers will lose motivation to produce, which will have an impact on the economy. The term "purchase intention" refers to the intention to purchase a product or obtain a service. It refers to a customer's desire to purchase a specific product from a specific brand. Peter and Olson (2010) define purchase intention as an action of planning to buy a specific product or brand.

Consumers occasionally buy based on their gut instincts and make their decision in the store. This type of purchase can be classified as a spur-of-the-moment purchase. Consumers who partially plan their purchases decide on the product category before going to the store and the brand once they arrive. The consumer then makes a completely planned purchase decision, which means he or she chooses the goods and brand before entering the store. In addition, by using the explanation from Mirabi Et. Al., (2015), it can be said that purchase intention is the study related to the habit, attitude, and perception of consumers in the decision-making process of purchasing a certain product in a certain condition. This definition then adds that it as well includes how people would feel pre-purchasing a product/service. Simply put, it is described as the degree of willingness by the consumer to buy the product (Zhang et al., 2020).

Related to this research, digital bank offers a form of banking services. Although what both, conventional and digital banks are have minor differences, digital banks endure the challenge by hailing their most valuable feature, which is online services. Digital banks offer the easiness for the customers to create accounts through their mobile phone. Although conventional banks are marching toward the same direction as digital banks aim, challenges as financial service company, which to attract people to use their services, are remains. Therefore, purchase intention here is being represented as the intention to create an account.

- ***The Effect of the Exposure of Advertisement Toward User's Intention to Create an Account***

    In relating the exposure of Digital Bank and the user's intention to create an account, the bridge can be connected through Advertising Exposure Theory by Rajeev Batra, John G. Mayer, and David A. Aaker (1996). This theory states that if consumers are exposed to advertising, it drives consumers to buy products. Through exposure, advertising create several effects, namely awareness, information, feelings after association with the brand, brand image and, sense of assurance (Batra Et. Al., 2009). The diffusion of exposure is sourced from a variety of media, such as magazines, radio, television, etc. (Shimp, 2003). Advertising exposure caused people who were exposed by the ads to gain the preservation or understanding of the information delivered in the ads. Moreover, this comprehension involved the impression that is caused by the ads (Aaker, 1986).

- ***M-banking Experience Toward Intention to Create an Account***

    He et.al. (2015) describe that a positive experience after engaged with the product does affect the attitude towards the services. M-Banking is a Mobile-based app that provides the services of a conventional bank. On the other hand, the existence of a digital bank signifies the physical availability of both platforms. M-Banking offers banking services, invented by conventional banks, whereas digital banks offer wholly digital bank services, with the existence of physical branches close to none (Hidayati, 2020). However, both rely on the internet to operate. According to Garrett (2011), User Experience or UX is an experience perceived by the consumer as a result of interaction with the product. The CUE model attempts to elaborate on technological innovation's effect on user experience (Linden Et. Al., 2019). The initial components of the CUE model concern the usefulness thus the ease-of-use features offered by the technology, all summed up in the perceived instrumental qualities. Secondly, it is the perceived non-instrumental qualities that consist of aesthetic, symbolic

and motivational aspects of user personal desire and needs. These components later form the overall decision and determine whether the technology is beneficial to their expectation or prefer to choose between alternatives. This model accommodates user experience (UX) with the M-Banking attributes, either physical, visual, and communicational aspects related to the product. The latter process in employing this model to the two variables is whether M-Banking user experiences would lead to the intention to create an account on a digital bank.

- *Brand Awareness Toward Intention to Create an Account*

    To build a set of associations, a consumer must first be aware of the brand (Washburn and Plank 2002). As one of the assets of a Brand, Awareness of the brand is the essential facet of brand equity, along with other elements. According to Aaker (1991), brand awareness is crucial due to its output for the consumer's intention to purchase the product. There are several levels of brand awareness, which are top-of-mind, brand domination, brand knowledge and brand domination. When a customer is ready to purchase something, they considered the brand. If a consumer is knowledgeable regarding the brand, they will have more purchasing options and will always make wise choices (Keller, 1992). Developing a strong brand is a company's most significant goal, as it affects not only short-term revenues but also long-term profits. As a result, a good brand management team's purpose is to create a brand that will have more purchasing options and will always make wise choices. In the case of this research, a certain condition of the awareness of the digital banks will lead to the intention to create an account of digital bank.

1.7. Hypothesis

H1: there is an effect created by digital bank ads exposure toward people's intention to create an account in digital bank

H2: there is an effect yielded from user experience on M-banking toward people's intention to create an account in digital bank

H3: there is an effect created by people's brand awareness toward the people's intention to create an account in digital bank

1.8. Conceptual Definition

a. Advertisement exposure of digital bank

Exposure of digital banks can be described as all activities of hearing, seeing, and reading advertisements diffused by the digital bank through media channels.

b. M-Banking experience

It is the situation of a person that has past or current experience using the features of M-Banking. M-Banking experience also includes the ability to operates, recognize, and comprehend the features provided by M-Banking.

c. Brand awareness of digital bank

Brand awareness of digital bank is the ability of consumers to immediately recognize and remember a brand just by looking at something, whether color, logo, image, and so on, that describes the identity of a brand.

d. Intention to create an account

The intention to create an account can be described as the willingness to create an account on the digital bank.

1.9. Operational Definition

1.9.1. Advertising Exposure of Digital Bank

a. Able to mention digital bank's advertisements
b. Able to mention digital bank's color in the ad.
c. Able to mention the advantages of the digital bank's shown in the advertisements.
d. Able to mention digital bank's tagline contained in the ad.

1.9.2. M-Banking Experience

a. Recall the features of the m-banking
b. Rate level of satisfaction of the features

c. Frequency of daily usage

d. Total of the m-banking's apps owned

e. Purpose of using m-banking

1.9.3. Brand Awareness of Digital Bank

a. Knowledge of the features of digital bank

b. Knowledge towards digital bank brand.

c. Knowledge towards digital bank's tagline.

d. Knowledge towards digital bank's brand ambassador.

e. Knowledge towards digital bank's ads.

f. Recognize the brand of digital bank

1.9.4. Intention to Create an Account

a. Perception toward digital bank

b. Plan to create an account on digital bank

1.10. Research Method

1.10.1. Research Type

This type of research is explanatory. Explanatory research means that research aims to explain the relation of the variables studied and the relationship between one variable with another variable (Singh, 2007). This research will explain the effect of the advertising exposure of digital Bank (X1), M-Banking experience (X2), and Brand awareness of digital bank (X3) toward the dependent variable of intention to create an account (Y1)

1.10.2. Population and Sampling

1.10.2.1. Population

Population according to Ardial means a group of people, events, or everything that has characteristics that want to be studied by researchers (2014). Population for this research must have the following criteria:

a. Male and female

b. Aged 17 – 25 years old

c. Living in Indonesia

d. Have experience in using M-Banking

The choice of Indonesia is taken due to the focus of the research, which is designated on the digital bank that exists in Indonesia.

1.10.2.2. Sampling Techniques

The sampling technique used is the non-probability sampling method, which is a sampling technique that does not provide equal opportunities for members of the population to be selected as samples because they must meet certain characteristics. According to Singh (2007), sampling is the process of determining a sampling unit based on the population. Nonprobability sampling does not incorporate the process of random selection, meaning that the probability of selection of each unit is unknown (Singh, 2007). In this way, all elements of the population do not have the same opportunity to be chosen among the sample members (Ardial, 2014). The sampling technique used is accidental sampling, which is taking samples with a spontaneity which means that anyone who meets the author and has the appropriate criteria will be the respondent.

Last but not least, the sample size of research is needed to be more than 30 to sufficiently represent a population (Singh, 2007). The sample size for this research is going to be 100.

1.10.3. Data Types and Sources

In this study, the author obtained data from primary data which refers to information obtained directly by researchers about variables for the specific purposes of this study (Sekaran, 2003). The primary data of this study was obtained from the results of filling out questionnaires which were carried out directly by the respondents.

1.10.4. Instruments and Data Collection Technique

1.10.4.1.   Data Instrument

The data used is a self-administered, with questionnaire as the form of instrument, that is by submitting a list of questions to be filled by respondents.

1.10.4.2.   Data Collection Technique

The source of this data is taken from online questionnaire.

1.10.5. Data Management

- Editing

  Editing is the activity of checking or reselecting respondents' answers. This aims to avoid errors, incompleteness, falsity, and discrepancies (Singh, 2007).

- Coding

  Coding is a process of grouping, classifying and, allocating answers from respondents by using certain signs or codes in the form of numbers (Singh, 2007).

- Tabulation

  Tabulation presents the data obtained in tabular form, In the form of rows and columns so that readers can see the research results clearly (Singh, 2007).

1.10.6. Analysis Technique

Data obtained directly from respondents will be processed until arranged systematically and then hypothesis testing will be performed using simple regression. By the implementation of the simple regression lines as a part of the linear regression statistical tools, we can observe the score that one variable is given to others (Hinton, 2005). Through simple regression, best prediction values can be depicted from dependent variable (Y) to the given independent variable (X) (Singh, 2007). Therefore, the simple regression model is suitable for the research.

By using simple regression as part of this research's statistical analysis, each independent variable can be individually measured.

Last but not least, there are few techniques of measurement in this statistical technique which are the direct, forward, backward, and stepwise regression. Specifically, in this case, the technique that is going to be used is the direct regression. This technique will be implemented by individually testing each independent variable to the dependent variable. To prevent the errors that caused by human, and ease the measurement process SPSS, a software created to be used as a statistical measurement also provides this method as one of its featured statistical formulae. (Hinton, 2005).