CHAPTER IV

THE EFFECT OF ADVERTISING EXPOSURE OF DIGITAL BANK, USER EXPERIENCE ON MOBILE BANKING, AND USER'S BRAND AWARENESS TOWARD THE INTENTION TO CREATE AN ACCOUNT

This chapter contains of hypotheses testing thus evaluation to each variable of advertisement exposure of digital bank, user experience on M-Banking and, User's brand awareness toward intention to create an account. Data analysis in this research is helped with SPSS, using the formulae of simple linear regression. This method suitable to analyze the effect given from independent variable (X) toward the dependent variable (Y).

4.1. Hypothesis Testing

Statistical tool that is used in this research is Simple linear regression with an assistant of SPSS. Simple linear regression is a statistical tool used to analyze the intervention of independent variable (X) toward dependent variable (Y). In this research, there are three predicted research:

1. H1: there is an effect of digital bank advertising exposure toward people's intention to create an account in digital bank

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

3. H3: there is an effect of People's brand awareness toward the people's intention to create an account in digital bank

The level of significance is employed to shows whether a dependent variable effects the independent variable. Characteristic of statistical analysis in this research are listed below:

1. If the significance value is less than 1% (0.01), then it indicates a very significant result on the test between the independent variable and the dependent variable, so the hypothesis is accepted.

2. If the significance value is 5% (0.05), then there is a significant result on the test between the independent variable and the dependent variable. Therefore, the hypothesis is accepted.

3. If the significance value is 5% (0.05), then there is no significant result on the test between the independent variable and the dependent variable, so the hypothesis is rejected.

4.1.1. Simple Linear Regression Test On The Effect Of The Exposure Of Digital Bank Advertisement Toward User's Intention To Create An Account

Table 4. 1. Simple Linear Regression Test on Advertising Exposure Towards Intention to Create an Account

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.048[a]	.002	-.007	.610

a. Predictors: (Constant), Total

b. Dependent Variable: Keminatan

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.091	1	.091	.246	.621[b]
	Residual	39.427	106	.372		
	Total	39.519	107			

a. Dependent Variable: Keminatan

b. Predictors: (Constant), Total

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.718	.168		28.030	.000
	Total	.003	.006	.048	.496	.621

a. Dependent Variable: Keminatan

The table above is the result of simple linear regression of the advertising exposure of digital bank toward the intention to create an account. Using the output data, it can be seen that the significance level is 0.621, meaning there are no effect of the advertisement exposure of digital bank toward the intention to create an account. Therefore, the hypothesis is rejected.

4.1.2. Simple Linear Regression Test On The Effect Of User Experience On M-Banking Toward Intention To Create An Account

Table 4. 2. Simple Linear Regression Test On The Effect Of User Experience On M-Banking Toward Intention To Create An Account

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.085[a]	.007	-.002	.608

a. Predictors: (Constant), Total

b. Dependent Variable: Keminatan

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.285	1	.285	.771	.382[b]
	Residual	39.233	106	.370		
	Total	39.519	107			

a. Dependent Variable: Keminatan

b. Predictors: (Constant), Total

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.604	.227		20.325	.000
	Total	.016	.019	.085	.878	.382

a. Dependent Variable: Keminatan

The table of the result of simple linear regression shows that the significance number is yielded at 0.382, meaning there is no effect given by user experience on M-Banking toward the intention to create an account. Therefore, the hypothesis is rejected.

4.1.3. Simple Linear Regression Test On The Effect Of Digital Bank Awareness Toward Intention To Create An Account

Table 4. 3. Simple Linear Regression Test On The Effect Of Digital Bank Awareness Toward Intention To Create An Account

Model Summary[b]

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.046ᵃ	.002	-.007	.610

a. Predictors: (Constant), Total

b. Dependent Variable: Keminatan

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.084	1	.084	.225	.636ᵇ
	Residual	39.435	106	.372		
	Total	39.519	107			

a. Dependent Variable: Keminatan

b. Predictors: (Constant), Total

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.845	.118		41.158	.000
	Total	-.015	.031	-.046	-.474	.636

a. Dependent Variable: Keminatan

The result of simple linear regression shows the significant number of 0.636, meaning that the number is above 0.05. Therefore, the are no effect on Digital bank awareness toward the intention to create an account. In other words, the hypothesis is rejected.

4.2. Discussion

4.2.1. The Effect Of The Exposure Of Digital Bank Advertisement Toward User's Intention To Create An Account

Reflecting on the result of this research, it is concluded that there is no effect of the exposure of digital bank advertisement toward the intention of the people to create an account.

Reflecting to the theory being used, Advertising exposure theory, consumer that are exposed to advertising would cause the consumer to purchase the product. However, aside from nurture the drives to

purchasing, this theory also justifies several other effects. It states that through the process of exposed to advertisement, people would feel several effects, which are awareness, information, brand association, brand image and sense of assurance. However, in the matter of this research, the main objective is to sought the effect given by advertising exposure invented by the digital banks toward the intention to create an account.

Through explanation above, it can be retracted that the intention to create an account is not the only output of being exposed to the advertisement. There are other effects that caused by exposure. The effect of advertising exposure can be in another output, such as awareness, information, association to the brand, brand image or sense of assurance. Whereas, it can be seen that the theory, in the matter of this research, is rejected. Digital banks are now more focusing on the scope of promotion through exhibition, sales marketing and promotion. on the side of exposure created by airing advertisement, still dim. On the other hand, the other circumstance is also included the lack of dominant advertising itself that causing on the lack of exposure among the public, it is proven as the result of the data sampling states that most of the respondent have the ability to name the color used in advertisement but unable to named taglines used by the banks.

Although the digital bank industry has been around for 7 years, their noticeable movement is just begun in the late 2019 to 2020, when many corporations were starting to join the banking industry through digital bank. The first known to be operating digital bank in Indonesia is the Jenius by BTPN, whom launched in 2016, leading the market. According to the annual 2021 annual report, it is said that there were more than 300 million users have downloaded financial application, 80% increase compared to 2020 annual report (Databoks, 2022). Next, Although the number has escalated, highest number of active users of digital bank has only reached 2.3 million, where it held by Jenius by BTPN. Maulani, states a positive brand image obtained by e-wallet advertisement alters to user's intention to use the product, employs it to

assist in online purchasing, food ordering, and billing services (2021). Meanwhile, digital bank, which included in digital financial services, offering the same features, has to struggle in positioning themselves between the fintech industry, with the only one-of-a-kind feature in savings. The literacy to distinguish the specific position of digital bank is yet to dwelled. In the case of this research, reflecting from the result given from simple linear regression, the theory proposed, which is the Theory of Advertising Exposure is rejected. Therefore, the intention of the people to create an account in digital bank does not affect by digital advertisement exposure.

4.2.2. The Effect of M-Banking Eexperience Toward User's Intention to Ccreate an Account

Data yielded that there is no effect caused by the M-Banking experience (X2) toward the user's intention to create an account (Y).

The Component of User Experience or CUE model explains that the usefulness of the apps based on its physical, visual and communicational aspects. Moreover, this model also concerns on aesthetic, symbolic and motivational aspect of the user which later put as a consideration whether the technology is beneficial, or better left to other alternatives. In addition, the existence of UX (User Experience) has been acknowledged by several companies as an important factor in creating an apps (Nugraha, Fatwanto, 2021). It assists app developer to enhance the customer experience in operating its systems through critics and feedback.

On the other hand, reflecting to the result from this linear regression, it is stated that there is no effect that caused by M-Banking experience to the intention to create an account. Yet, CUE model states that the output to be opt to the apps or choose the other alternatives. Reflecting toward the similarities between the M-banking and Digital bank, there is possibility that people whom uses M-banking and acknowledge the features are opt to it than other banking services. the

existence of digital bank, on the other hand, is mere additional option among already-sustainable banking system.

Furthermore, although the banking experientially digital bank are better than M-banking, there is possibility that people have been adapted to the already-established technology that M-banking have. Compared to conventional bank, according to the evaluation taken by OJK (Otoritas Jasa Keuangan) or monetary services authority, most of the digital bank's maturity level are still below 50% (CNBC, 2021). Therefore, instead of shift from an already-helpful thus constantly improving technology which people already used to, people prefer to stay in their M-banking and place digital bank as a consideration. Even so, it is also worth noticed that currently, Indonesia is placed as the 2nd on the countries in terms of total digital bank users, it is more than 47 million people in Indonesia, which indicates a bright future on the technology (Databoks, 2021). Therefore, using the data from the research, it is concluded that the theory proposed in an attempt to explain the effect of User Experience on M-Banking toward Intention to create an account, which is the CUE model is rejected.

4.2.3. The Effect of Brand Awareness Toward Intention to Create an Account

In the case of the effect of brand awareness on digital bank toward the intention to create a digital bank account is none. The ability of the people to recognize the brand of digital brand that exist in Indonesia then, does not affect their intention to create an account in their financial platform. The result could be different if the level of the brand equity also higher.

Relating to the explanation from Aaker (1991), brand is a crucial asset that a company need to preserve. A strong brand helps company to aims for a long-term goal. However, knowing its position as the most basic in brand equity refrain its effect toward the action in putting effort to the brand. Awareness, the brand is exposed to its target audience - usually through advertising that attracts attention. Customers grow familiar with

the brand and recognize it at a store or elsewhere, which is the next step. Trial phase is when the customer tries it now that they recognize the brand and know what it is or stands for. Preference When a customer has a positive encounter with a brand, that brand becomes the preferred option. On the Loyalty, Users not only suggest the brand to others after a succession of positive encounters with it, but it also becomes the only one they will buy and use in that category. They hold it in such high regard that any product affiliated with it benefits from its favorable aura.

Therefore, it can be concluded that although the brand awareness does not affect the intention to create an effect, there is possibility that the subject observed are aware on the existence of the digital bank. Moreover, a financial industry is an industry of trust, where people highly concern towards the fortune trusted to these company. Whereas, the digital world is highly anticipated by its enormous possibility as a subject of crime, where the leakage of costumer personal data, fraud, any act of burglary, has the possibility to happen in anytime.

This condition even worsens in the perspective of stocks market. Data shows that most of digital bank's shares are down to mostly 40 to 50 percent after its public offering (Databoks, 2022). The staggering increase on the stock's price of digital bank can of course be justifies with a positive sentiment during current digital era, where people are prompt to be as cashless as possible. However, on the other hand, it also indicates how volatile the technology really is.

The fintech industry, in general, is deeply rooted within digital world and the security is always being the issue at stake. This claim is even more supported by the place taken by online fraud in 2020 as the 2nd most reported case of cybercrime in Indonesia (Databoks, 2020). Thus, the case of cybercrime always be the concern to the people whom want to fully trusting all of their funds. Although people aware toward the existence of digital bank, and probably other fintech products, people also aware toward the existence of probable risk in it. Not to mention centralized office of digital bank which usually only existed in major city

makes people from smaller city could probably see digital bank as untrustworthy.

The existence of literal threats toward the data and customer funds within the digital world, the already-happened lost fund form their customer, and lack of offices build such negative awareness among the people. last but not least, this the theory of Brand Equity is proposed as the test during the research, however, the result shows that Brand Awareness, which is a part of Brand Equity, does not succeed in bridging the hypothesis that brand awareness of digital bank affect the intention of the people to create an account. Therefore, it is explained on why the hypothesis is rejected.