



Identification of Determinants of Customer Decisions in Choosing Savings at Digital Banks

Hanif Zaidan Sinaga, Amelia Rahmawati, Anggi Amelia
Universitas Ibn Khaldun Bogor, Indonesia
Corresponding Author Email : hanif.zaidan@gmail.com

Abstract

The development of digital banking is increasing rapidly in line with the increasing interest and number of users. Digital banking is defined as banking services using digital facilities owned by banks, carried out independently by customers to obtain information, communicate, open accounts, banking transactions, and close accounts including obtaining other information outside of banking products including financial advisors, investments, e-commerce transactions and others. The use of online banking can be influenced by factors that support choosing online banking. This study aims to analyze how customers choose LINE Bank (Hana Bank) as the digital bank used today. This research uses a quantitative method with a descriptive approach that aims to make a description, description or painting systematically, accurately about the facts, properties and relationships between the phenomena being investigated. The sampling method uses nonprobability sampling with the purpose method. The data collection technique used in this study was a questionnaire. The results of this study indicate that each questionnaire item is a determining factor in the customer's decision to choose digital savings at LINE Bank so that LINE Bank is suitable for the community as a savings account that is easy to use and easy to access because it is internet-based.

Keywords: *Digital Banking, Validity, Customers, Savings, E-Commerce Transactions*

Introduction

It is inevitable that the progress of the times is always followed by increasingly rapid technological advances, from these technological advances, human needs or needs increasingly demand everything to be fast and easy. In this era of increasingly massive development of information technology, it causes changes to the order of people's lives. This also makes the human lifestyle inseparable from electronic devices. Information technology disruption requires every industry player in Indonesia to immediately take the right adaptation and agility steps (Prasasti, 2022). Now almost all companies have used technological assistance, including the banking world, banks are trying to offer services with easy access and speed in transactions with technology called digital banking.

If in the past technological innovation was only centred on internal banking, but now there is a drastic change where technological innovation has now penetrated to the customer or consumer side. This shift has given rise to technology-based financial companies or better known as FinTech (Financial Technology). FinTech has mushroomed around the world including Indonesia. In recent years, the phenomenon of Financial Technology (FinTech) and technological cooperation has become one of the drivers of innovation in the development of digital banking services in the banking industry (Batubara & Anggraini, 2022).

(Allen, McAndrews, & Strahan, 2002) defines E-finance as a means of distributing financial market and banking services using electronics and computerisation. These services can be provided by various banks that have physical offices and create a website and provide services through it or services can be set up through virtual banks. The Internet can be used as part of a strategic channel and differentiation of low-cost financial services products such as credit cards (Moridu, 2020).

Threats to the banking industry, apart from Fintech (financial technology) Payment, threats also arise from startups and Fintech Lending. The government and Bank Indonesia (BI) are targeting the level of financial inclusion to increase to 75% by 2019, and efforts to increase it are carried out through the help of Fintech. The Financial Services Authority (OJK) issued OJK Regulation (POJK) Number 77/POJK.01/2016 on Information Technology-Based Money Lending and Borrowing Services for Fintechs that do online lending business. Startups and Fintech are supported by the government with the issuance of Presidential Regulation of the Republic of Indonesia Number 74 of 2017 concerning the Road Map of the National Electronic-Based Trade System (E-Commerce Road Map) for 2017-2019. One of the activities in the road map is to increase access to People's Business Credit (KUR) through Banks / Non-Bank Financial Industries as KUR distributors with credit risk assessments tailored to e-commerce business models (Budiman, Seminar, & Saptono, 2020).

To support the optimisation of digitalisation of Indonesian banking, (Financial Services Authority, 2018) issued OJK Regulation No.12/POJK.03/2018 on the Implementation of Digital Banking Services by Commercial Banks, which stipulates that "Digital Banking Services are electronic banking services" by optimising services developed with customer data to serve customers on demand (customer experience) faster and easier, and can be done completely independently by customers while still paying attention to security aspects. With this OJK regulation, it is hoped that banks can optimise the use of technology to meet consumer needs (Batubara & Anggraini, 2022).

Banking is a financial intermediary institution whose job is to collect funds from the public and distribute them to the public. Banks are institutions that people trust to save their money and entrust banks to manage their finances (Vebiana).

In meeting the needs of customers in increasing the growth of banking and banking finance, banks strive to maximise services through digital banking which in today's modern era can make the main alternative for mobile banking users (Vebiana).

The internet has changed and become a dimension of competition in various financial and banking sectors, after the existence of ATMs and phone banking, which is the beginning of electronic-based finance, in increasing the adoption of internet usage has made the latest new

distribution channel in the financial and banking sector, namely online banking. (Onay, Ozsoz, & Helvacioğlu, 2008)

The development of digital banking is getting faster in line with the increasing interest and number of users. Banking industry players are required to be able to meet the needs of the community for a fast service process. In addition, the availability of sophisticated communication tools has further encouraged the evolution of these services so that people can access banking services anywhere and anytime (Vebiana). Service quality is needed by providing and fulfilling facilities and responses according to customer desires (Andriyani & Ardianto, 2020).

Digital banking, also known as digital banking services, is defined as banking services through bank offices using electronic or digital facilities owned by banks, carried out independently by customers that allow prospective customers or bank customers to obtain information, communicate, register, open accounts, banking transactions and close accounts including obtaining other information outside of banking products including financial advisors, investments, e-commerce transactions and other needs. The development of digital banking services (digital banking) began to be implemented by banks in Indonesia. The development began with branchless banking and Digital Financial Services (LKD). Digital banking makes it possible for banks to develop services to customers, provide alternatives to banks to provide information directly to customers and reduce direct interaction at branch offices (Vebiana).

Banking industry players are required to be able to meet the needs of the community for a fast service process. In addition, the availability of sophisticated communication tools has further encouraged the evolution of these services so that people can access banking services anywhere and anytime (Vebiana). Its use can be done anytime, anywhere from a smartphone with additional banking applications, as long as it is connected to the internet (Financial Services Authority, 2016).

In Indonesia we can see many banks that have emerged and developed in recent years, this has created a large level of competition between quality, performance, and price of financial services in Indonesia, especially for banks that have gone public to increase company value. To be able to compete and thrive, these banks must be able to leverage the rapid and continuous growth in the information and telecommunications sector that is driving the introduction of electronic services in banking activities. The sharp electronic development in Indonesia can be a reference for banks to keep up with the times so that customers feel more comfortable and easy to transact (Margaretha, 2015).

One of the digital banks in Indonesia is LINE Bank. LINE Bank is a digital bank created in collaboration between LINE and PT Bank KEB Hana Indonesia. Bank Hana is one of the largest banks in South Korea which is a subsidiary of Hana Financial Group. Bank Hana has a commitment to always provide financial services that prioritise the convenience of its customers, in line with the vision to become "The Best Customer-Focused Bank in Indonesia". Bank Hana has a global reach and service standards with 51 branch offices, 206 ATMs and CRMs, more than 180,000 ATMs connected to the PRIMA and Bersama

networks, as well as ATMs in the Visa network spread across various regions in Indonesia. Currently, Bank Hana has 1,246 professionals in their fields and continues to improve services based on information technology, product innovation based on customer needs (LINE Bank, 2021).

Based on the background description, the authors are interested in conducting further research, regarding the determinants of customer decisions in choosing savings at LINE Bank. This research aims to analyse how customers choose LINE Bank as the digital bank used today (LINE Bank, 2022).

Method

The method used in this research is a quantitative method with a descriptive approach. According to (Yusuf, 2014), the quantitative approach views human behaviour as predictable and social reality; objective and measurable. Therefore, the use of quantitative research with valid and reliable instruments and appropriate and appropriate statistical analysis causes the research results achieved not to deviate from the actual conditions. According to (Duryadi, 2021), quantitative research is also called hypothesis testing research because this research is carried out by building hypotheses and testing them empirically. According to (Ilmiyah, et al., 2021), quantitative research is a research approach used to see, reveal a situation, give treatment to a phenomenon or event with the aim of improvement or to test something, thus producing quantitative data or other types of data that can be quantified and processed using statistical techniques.

According to (Samsu, 2017) descriptive research, often also called taxonomic research. It is said so because this research is intended to explore or clarify a symptom, phenomenon or existing social reality. Descriptive research seeks to describe a number of variables related to the problem and unit under study. Descriptive research does not question the relationship between existing variables, because descriptive research is not intended to draw generations that cause a symptom, phenomenon or social reality to occur. According to (Ilmiyah, et al., 2021), this research is research that aims to describe systematically, and accurately about the nature of a population. The characteristics of descriptive research include: 1) Used to solve problems or events that are actual or in the present. 2) Describe the situation or event precisely and accurately, not to be the cause and effect of an event. According to (Darwin, et al., 2021), descriptive research is research that systematically describes a situation, problem, phenomenon, service and or important information about the conditions of human or organisational life. For example, describing the types of services provided by the organisation, people's behaviour towards certain situations such as responses to marketed products, responses to social situations, employee attitudes towards company management, organisational performance that has an impact as a result of employee behaviour and others. The main purpose of this research is to describe in a conventional and structured manner regarding the issue or problem under study.

Basically, this approach describes data using numbers such as Level of Service, Ease of Transaction and other information. The purpose of quantitative research is to develop and use

mathematical models, theories and / or hypotheses that are relevant to the phenomena studied by the researcher.

The data collection technique used in this research is a questionnaire. Questionnaire or questionnaire is a data collection method that is carried out by giving a set of written statements or questions to respondents to respond in accordance with user requests. In this study using a summated scale (Likert) as a measuring tool on a questionnaire that will be distributed to correspondents. According to (Darwin, et al., 2021), summated scale (Likert) is this scale that explains a construct through several questions. According to (Duryadi, 2021), summated scale (Likert) is a technique carried out by compiling more than one question to explain a certain construct, then the answers are summed up (summated scale). This scale is calibrated by means of a neutral answer coded zero (0). The summated scale (Likert) used in this study uses a scale of 1-5. This is because it adapts to the reference journal sources for each variable.

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Agree

The sampling method used in this study is to use nonprobability sampling with purposive sampling method. According to (Duryadi, 2021), purposive sampling means that the researcher chooses a subjective sample because the researcher understands that the information needed can be obtained from the sample because it meets the criteria. According to (Ilmiyah, et al., 2021), purposive sampling is a way of sampling for a specific purpose. This technique is very suitable for conducting case studies, where many aspects of a single representative case are observed and analysed. According to (Darwin, et al., 2021), purposive sampling is a research sampling technique using certain considerations, measures and criteria that have been determined by the researcher before the research process is carried out. The main characteristic of using this technique is that the sample must be able to represent the research results that have been expected by the researcher. Thus, the criteria in each unit are very important in realising the research objectives set by the researcher. Specific characteristics are people who use LINE Bank services.

Result

Research Findings

The results of research conducted quantitatively using a questionnaire or questionnaire to Digital Bank users. In this section of research findings, researchers will explain what factors influence customers in choosing savings at Hana Bank (LINE Bank). In this study there are 65 data taken from respondents who have predetermined criteria, namely, using

Digital Banks, and using LINE Bank. The characteristics of respondents in the study are seen based on gender, and age.

Table 1. Characteristics of respondents

Description	Type	Frequency	(%)
Gender	Female	45	69,2%
	Male	20	30,8%
Age	17-25	54	83,1%
	26-30	9	13,8%
	> 30	2	3,1%

Source : Primary Data Processing

Based on the data obtained, female respondents in this study dominated by 69.2% and male respondents by 32.8%, which shows that there are views of two genders. The age of the respondents ranged from 17 to > 30 years with the highest age being 17-25 years old.

Analysis Results

The data obtained and used in this study were obtained through one data collection. The data collection process lasted for 3 days using google form. In this study, 65 respondents were collected who met the criteria for analysis. Researchers collect data online in order to cover more respondents. The variables used in this study are:

- X1 = Can make cash withdrawals without using a debit card.
- X2 = Provides freedom from monthly administration fees.
- X3 = Provides many benefits.
- X4 = Free interbank transfers.
- X5 = There are features that can determine savings targets.
- X6 = There is a feature to separate savings according to interests.

1. Test of Aitem Discrimination Power

As a criterion for selecting items based on the total aitem correlation, according to (Azwar, 2013), items that reach a correlation coefficient of at least 0.30 are considered satisfactory. Based on the results of the discrimination power test on ease of transaction, which totalled 6 items, all items were declared good and no items were declared invalid. The movement of the score in the corrected itemtotal correlation table of 6 items that meet the criteria $p \geq 0.3$. The details of good aitems in ease of transactions in this study can be seen in the following table.

Table 2. Aitem Discrimination Power Test

Item-Total Statistics			
Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted

X1	20.29	10.773	.318	.625
X2	19.42	12.528	.381	.596
X3	19.58	12.434	.370	.598
X4	19.77	12.399	.253	.637
X5	20.42	10.278	.496	.540
X6	20.14	11.027	.444	.565

Source: SPSS 25 Data Processing Results

2. Validity Test

This analysis is done by correlating each item score with the total score. The total score is the sum of all items. Question items that correlate significantly with the total score indicate that these items are able to provide support in revealing what you want to reveal. If $r_{count} \geq r_{table}$ (2-sided test with sig. 0.05) then the instrument or question items are significantly correlated to the total score (declared valid).

Table 3. Validity Test

		Correlations						
		X1	X2	X3	X4	X5	X6	Total
X1	Pearson	1	.083	.142	-.014	.323**	.428**	.614**
	Correlation							
	Sig. (2-tailed)		.513	.259	.914	.009	.000	.000
	N	65	65	65	65	65	65	65
X2	Pearson	.083	1	.410**	.621**	.111	.051	.557**
	Correlation							
	Sig. (2-tailed)	.513		.001	.000	.379	.684	.000
	N	65	65	65	65	65	65	65
X3	Pearson	.142	.410**	1	.348**	.188	.138	.556**
	Correlation							
	Sig. (2-tailed)	.259	.001		.005	.134	.272	.000
	N	65	65	65	65	65	65	65
X4	Pearson	-.014	.621**	.348**	1	.130	-.075	.503**
	Correlation							
	Sig. (2-tailed)	.914	.000	.005		.302	.551	.000
	N	65	65	65	65	65	65	65
X5	Pearson	.323**	.111	.188	.130	1	.669**	.708**
	Correlation							
	Sig. (2-tailed)	.009	.379	.134	.302		.000	.000
	N	65	65	65	65	65	65	65
X6	Pearson	.428**	.051	.138	-.075	.669**	1	.656**
	Correlation							

	Sig. (2-tailed)	.000	.684	.272	.551	.000	.000
	N	65	65	65	65	65	65
Total	Pearson Correlation	.614**	.557**	.556**	.503**	.708**	.656**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	65	65	65	65	65	65

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS 25 Data Processing Results

Based on data processed using SPSS with a validity test which results in that the data is $r_{count} > 0.244$. Therefore, the data is said to be valid. By showing the results of LINE Bank on X1 of $0.614 > 0.244$ which means the data is valid. X2 is $0.557 > 0.244$ which means the data is valid. X3 of $0.556 > 0.244$ which means the data is valid. X4 of $0.503 > 0.244$ which means the data is valid. X5 of $0.706 > 0.244$ which means the data is valid. X6 is $0.656 > 0.244$ which indicates that the data is valid. The results of the description of this study also show that the distribution of respondents' answers received or known that the answers of each respondent in each indicator vary greatly and the results are valid.

Furthermore, namely the significance value, if the significance value is < 0.05 then it is declared valid, but if the sig value is > 0.05 then it is invalid. Above there is already a significance value of the X1 result, namely $0.000 < 0.05$, so this significance value is valid. Furthermore, X2 is $0.000 < 0.05$, so this significance value is valid. X3 is $0.000 < 0.05$, so this significance value is valid. X4 of $0.000 < 0.05$, this significance value is valid. X5 is $0.000 < 0.05$, so this significance value is valid. And X6 is $0.000 < 0.05$ so this significance value is valid. Thus all questionnaire elements are concluded to be valid. Therefore, the questionnaire used can be processed for research data.

3. Reliability Test

Reliability comes from the word reliability. The definition of reliability is the constancy of measurement (Walizer, 1987). Sugiharto and Situnjak (2006) state that reliability refers to an understanding that the instruments used in research to obtain information used can be trusted as data collection tools and are able to reveal actual information in the field.

Table 4. Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.638	6

Source: SPSS 25 Data Processing Results

According to Wiratna Sugarweni, it is said to be reliable if Cronbach's Alpha > 0.600. Based on the results of the reliability test, it is known that the Cronbach's Alpha value is 0.638 > 0.600. So it can be concluded that this item is said to be reliable.

4. Assumption Test

The assumption test carried out in this study is normality. The assumption test was carried out using the help of the IBM SPSS Statistic Version 25 program.

a. Normality Test

The normality test in this study used the Shapiro-Wilk test because the data collected was <100.

Table 5. Assumption Test

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Total	.116	65	.029	.893	65	.000

a. Lilliefors Significance Correction

Source: SPSS 25 Data Processing Results

Based on the normality test on the ease of transaction scale, the significance value is 0.000 ($p > 0.05$) in the Shapiro-Wilk column, which indicates that the distribution of the ease of transaction scale is not normal.

Conclusion

Based on the research that has been conducted, namely research with the title "Identification of Determinants of Customer Decisions in Choosing Savings at Digital Banks (Case Study: LINE Bank)" there are conclusions that can be drawn from the results of research with the aitem discrimination power test, validity test, reliability test, and normality test. The following are the conclusions of this study: 1) Based on the results of the data processing of the discrimination power test on the ease of transactions in Digital Banks totalling 6 items, all items are declared good and no items are declared invalid because the 6 items meet the criteria. 2) Based on the results of the validity test data processing, it shows that each item on the questionnaire is declared valid to be the determining factor for customers in choosing digital savings at LINE Bank (Hana Bank). And also these results show that the distribution of respondents' answers received or known on each indicator varies greatly. 3) Based on the results of data processing, the reliability test shows that each questionnaire item can be said to be reliable because the Cronbach's Alpha value is above 0.638 > 0.600 and it can be concluded that this item is said to be reliable, so the information used in this study can be trusted. 4) Based on the results of the normality test data processing,

it shows that the ease of transaction scale is not normal. Thus, based on the results of the validity and reliability tests, it can be seen that each item in the questionnaire is a determining factor in customer decisions in choosing savings at LINE Bank (Hana Bank). So LINE Bank is very suitable for individual people as a savings account that is easy to use and easy to access because it is internet-based in digital banking. Brand image still does not have a big effect on people's decisions to use savings at LINE Bank. So the bank is able to maintain the company's image in order to further form a positive response and people's confidence is maintained and more and more people use savings at LINE Bank.

For banks, it is expected to improve services because it is the most influential factor in influencing customer decisions in choosing banking products so that banks can increase the number of customers and retain old customers. LINE Bank is also expected to be able to increase socialisation efforts either directly, or through digital and print media. This is in order to increase public interest and understanding of finance and determine customer decisions in choosing Savings at Digital Banks. For customers who use digital banking services, it is hoped that with the results of this study, customers not only carry out the convenience but also must pay attention to the security of online financial transactions such as password privacy so that no crime occurs in digital banking. For further research, it is hoped that it can identify other indicators or expand research across regions to enrich knowledge about factors that become customer decisions and involve a larger number of respondents so as to get more accurate results.

References

- Allen, F., McAndrews, J., & Strahan, P. (2002). E-finance: An introduction. *Journal of Financial Services Research*. doi:<https://doi.org/10.1023/A:1016007126394>
- Andriyani, M., & Ardianto, R. (2020). Pengaruh Kualitas Layanan dan Kualitas Produk Terhadap Kepuasan Nasabah Bank. *EKOMABIS: Jurnal Ekonomi Manajemen Bisnis*, 133-140.
- Batubara, M. C., & Anggraini, T. (2022). Analisis Pengaruh Layanan Digital Terhadap Minat Generasi Z Dalam Menggunakan Produk Perbankan Syariah. *Jurnal Masharif al-Syariah: Jurnal Ekonomi dan Perbankan Syariah*, 706-725.
- Budiman, H., Seminar, K. B., & Saptono, I. T. (2020). Formulasi Strategi Pengembangan Digital Banking (Studi Kasus Bank ABC). *Jurnal Aplikasi Manajemen dan Bisnis*.
- Darwin, M., Mamondol, M. R., Sormin, S. A., Nurhayati, Y., Tambunan, H., Sylvia, D., . . . Gebang, A. A. (2021). *Metode Penelitian Pendekatan Kuantitatif*. Bandung: CV. Media Sains Indonesia.
- Duryadi. (2021). *Buku Ajar: Metode Penelitian Ilmiah*. Semarang: Yayasan Prima Agus Teknik.

- Ilmiah, N., Lailisna, N. N., Widiyanti, I. S., Ginting, S., Cacik, S., Alim, W. S., . . . Dewa, P. K. (2021). *Mudahnya Memahami Metode Penelitian*. Bojonegoro: CV. Agrapana Media.
- LINE Bank. (2021). *Tentang Hana Bank*. Retrieved from www.linebank.co.id: <https://linebank.co.id/id/about-hana-bank>
- LINE Bank. (2022, September 5). *Cara Membuka Rekening LINE Bank Mudah dan Praktis 2023*. Retrieved from www.linebank.co.id: <https://linebank.co.id/blog/general/cara-membuka-rekening-line-bank-mudah-dan-praktis-2022/>
- Margaretha, F. (2015). Dampak Electronic Banking. *Jurnal Keuangan dan Perbankan*, 514-524.
- MD, M. M. (2015). Aspek Hukum Negara dan Administrasi Negara Kelembagaan Pengadilan Pajak. *Jurnal Hukum dan Peradilan*, 351-360.
- Moridu, I. (2020). Pengaruh Digital Banking Terhadap Nilai Perusahaan Perbankan (Studi Pada PT. Bank Negara Indonesia (Persero), Tbk.) . *Jurnal Riset Akuntansi Politala*, 67-73.
- Onay, C., Ozsoz, E., & Helvacioğlu, A. D. (2008). The impact of Internet-Banking on Bank Profitability - The Case of Turkey. *2008 Oxford Business & Economics Conference Program*.
- Otoritas Jasa Keuangan. (2016). *Panduan Penyelenggaraan Digital Branch oleh Bank Umum*. Retrieved from www.ojk.go.id: <https://www.ojk.go.id/id/kanal/perbankan/Pages/Panduan-Penyelenggaraan-Digital-Branch-oleh-Bank-Umum.aspx>
- Pompe, S. (2012). *Runtuhnya Institusi Mahkamah Agung*. Jakarta: Lembaga Kajian Dan Advokasi Untuk Independensi Peradilan.
- Prasasti, G. D. (2022). *Menkominfo: Industri Hiburan Harus Beradaptasi dengan Teknologi Digital*. Retrieved from www.Liputan6.com: <https://www.liputan6.com/tekno/read/4877680/menkominfo-industri-hiburan-harus-beradaptasi-dengan-teknologi-digital>
- Samsu, S. M. (2017). *Metode Penelitian: Teori dan Aplikasi Penelitian Kualitatif, Kuantitatif, Mixed Methods, serta Research & Development*. Pekanbaru: Pusat Studi Agama dan Kemasyarakatan Jambi.
- Vebiana, V. (n.d.). Perbankan Digital, Pengalaman Pelanggan, dan Kinerja Keuangan Bank Syariah. *9th Industrial Research Workshop and National Seminar* (pp. 747-751). Bandung: Politeknik Negeri Bandung.

Yusuf, A. M. (2014). *Metode Penelitian Kuantitatif, Kualitatif, dan Penelitian Gabungan*.
Jakarta: Kencana Prenadamedia Grup.