Proposed Strategy to Increase the Number of Digi Users from Customers of Pt Bank Pembangunan Daerah Jawa Barat Dan Banten, Tbk.

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ABSTRACT: PT Bank Pembangunan Daerah Jawa Barat dan Banten, Tbk (BJB) is one of the largest regional development banks in Indonesia. One of the banking services offered by BJB is DIGI. DIGI is a mobile banking service provided by BJB for customers to access banking services provided by BJB through cell phones. Based on BJB's annual report for 2022, the number of DIGI users in 2022 reached 849 thousand users. Even so, this number is still far away when compared to the number of accounts from BJB's third party funds which reached 5.2 million in 2022. If we compare the number of DIGI users with the number of accounts from third party funds, the number of DIGI users is only 14.97 percent of the number of accounts from BJB's third party funds. The purpose of this research is to increase the number of BJB customers who use DIGI. In this paper the author uses a mix method by mixing qualitative methods in the form of interviews with 10 customers and the BJB digital banking team and quantitative methods by distributing questionnaires to 230 BJB customers via google form. Smart PLS 3 is used to process data and test hypotheses that have been built based on the results of interviews and questionnaires from customers. The methods and hypotheses built in this study are based on the Unified Theory of Acceptance and Use of Technology proposed by Viswanath Venkatesh in 2003. Based on the results of the study, it was found that Performance Expectations and Effort Expectations affect a person's intention to use DIGI. This study also found that Facilitating Conditions and customer intentions affect the likelihood of customers to apply DIGI in reality. Based on these findings and some internal and external analysis of the company, the author provides several strategies that can help BJB to increase the number of customers using DIGI using SWOT and TOWS tools. The strategies offered in this paper are building QRIS-based financial services in the DIGI application, collaborating with various e-commerce platforms by providing special payment services, building DIGI account activation services via mobile phones, and providing education to customers regarding the services and benefits of using DIGI.

KEYWORDS: DIGI, Strategy, Increase Number of Users, Mobile Banking, PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk, UTAUT.

INTRODUCTION

In the economic system that has been built by modern human civilization, banks are essential for maintaining stability and moving the wheels of the economy of society and the country. According to the Financial Services Authority (OJK) based on law (UU) Number 10 of 1998, a bank can be defined as a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit and or other forms in order to increase standard of living of many people. Based on law number 10 of 1998 and Decree of the Director of Bank Indonesia (BI) number 32/33/KEP/DIR of 1999, there are 3 types of banks in Indonesia based on their functions which include central bank, commercial bank, and bank perkreditan rakyat (BPR). The rise of technology, including smartphones and the internet, coupled with Indonesia's participation in the fourth industrial era, has spurred the development of digital banking services. Customers can now access banking services through their smartphones or personal computers at any time, eliminating the need to physically visit a bank. Numerous Indonesian banks, such as PT Bank Pembangunan Daerah Jawa Barat dan Banten (BJB), have introduced digital-based products and services such as mobile banking to cater to their customers. However, despite the convenience offered by digital banking, a significant portion of customers remains unaware of or hesitant to utilize these services. According to a 2021 survey by Data Finder [1], only 25% (approximately 47 million adults) of Indonesians have digital banking accounts, while the remaining 75% (around 141 million adults) have yet to adopt digital banking. Similarly, according to Status of Digital Literacy in Indonesia 2022 report by Indonesia Ministry of Communication and Information Technology, reveals that, out of 10,000 respondents, 57% (5,700 individuals) had never used the internet for banking or financial transactions. Additionally, 6% (600 individuals) stated they rarely engaged in such transactions online, while 18%

(1,800 individuals) stated rare usage. Conversely, only 15% (1,500 individuals) reported frequent usage, and 3% (300 individuals) stated very frequent usage of internet banking services. These statistics highlight a considerable portion of the Indonesian population that has yet to embrace digital banking, despite the numerous features available to simplify financial transactions

BUSINESS ISSUES

One of the digital banking services in the form of mobile banking owned by BJB is DIGI. Based on bjb annual report [3], the number of DIGI users is still far compared to the number of customer accounts at BJB. Bank BJB's annual report for 2022 indicates an increase in DIGI transaction frequencies compared to the previous year. The total frequency of DIGI transactions in 2022 reached 186,500,955 transactions, representing a 32.8% increase from 2021. Furthermore, during the Analyst Meeting for 2Q 2022 Financial Result held on July 27, 2022, the Main Director of Bank BJB, Yuddy Renaldi, disclosed that the number of DIGI users had grown fivefold since 2020, reaching 849,000 users. Despite this significant growth in the number of DIGI users, it only accounts for 16.07% of the total number of third-party fund product accounts (DPK) held by bank BJB customers, totalling 5,281,898 customers in 2022. If the number of DPK accounts is combined with the total number of consumer credit accounts from BJB customers in 2022 (386,517 accounts), the proportion of BJB DIGI users stands at 14.97% out of the total 5,668,415 customer accounts. The low number of DIGI users compared to the total number of BJB customers has prompted the author to conduct research. Despite the convenience offered by digital banking systems like mobile banking, many BJB customers have yet to utilize DIGI for their financial activities. To gain initial insights into the issue, the author conducted preliminary interviews with ten BJB customers located in Bandung. Based on the interview results, the author found that six out of ten respondents had never used DIGI. Three of them did not feel the need to use the DIGI application, while the other three were unaware of how to operate DIGI on their smartphones. Based on the responses from non-users of DIGI, the author further investigated the variables that influence customers' intention to use DIGI. By understanding these variables, the author aims to determine the appropriate strategies that BJB can implement to encourage customers to adopt DIGI for their transactional and financial activities

METHODOLOGY

To determine what variables affect a person's intention to use DIGI, the author uses the Unified Theory of Acceptance and Use of Technology (UTAUT) proposed by Venkatesh [2]. Based on the UTAUT theory, there are 3 variables that influence a person's behavioural intention (BI) to use technology, namely performance expectancy (PE), effort expectancy (EE), and social influences (SI) [2]. Behavioural intention together with facilitating conditions (FC) affect the actual use of the technology (UB) [2]. Moderating factor voluntariness affects the relationship between SI and BI [2]. To determine the effect of the moderating factor age, the author uses a dummy variable. For moderating factor gender, the author gives a value of 1 for women and 2 for men. For moderating factor age, the authors use the value of 1 for the age range of 10 to 20 years, value 2 for the age range of 21 to 30 years, value 3 for the age range of 31 to 40 years, value 4 for the age range of 41 to 50 years, and value 5 for the age of more than 50 years. For moderating factor experiences, the authors use a value of 1 for customers who have never used DIGI, a value of 2 for customers who have used digi for 1 to 4 weeks, a value of 3 for customers who have used DIGI for 1 to 3 months, a value of 4 for customers who have used DIGI for 3 to 6 months, a value of 5 for customers who have used DIGI for 6 to 12 months, and a value of 6 for customers who have used DIGI for more than 1 year. For the moderating factor voluntariness, the authors use a value of 1 for customers who use DIGI because of Payroll needs and a value of 2 for customers who use DIGI due to other needs. In order to obtain the data needed to find what variables influence a person to adopt DIGI and whether moderating factors have an influence between variables and develop the right strategy to increase the number of DIGI users, the author conducted a sampling method in the form of a non-probability sampling method of 230 people using a google form link. Non-probability sampling method is one of the data collection methods where the sample is determined based on the personal judgment of the researcher [3]. Because the method used is non-probability sampling, there are several criteria needed so that respondents can fill out the questionnaire. The criteria required by respondents include being a BJB customer, having an access to the internet, and having a smartphone. In a term of time, the survey will be conducted by using cross sectional studies method. Cross sectional studies method is a type of observational study design where the investigator measures the outcome and the exposure in the study participants at the same time [4]. The questionnaire that will be distributed to respondents will use a Linkert scale with a scale level of 1 to 5. Scale 1 indicates that the respondent strongly disagrees with the statement in the questionnaire while 5 indicates that the respondent strongly agrees with the statement. In this

study, the authors will use loading factor, composite reliability, Cronbach's Alpha, average variance extracted (AVE) and heterotrait monotrait which will be analysed by using Smart PLS 3 to test the reliability and validity of the variables. After the validity and reliability test, the author will use PLS SEM to test the hypothesis.

Table 1. Variable and questionnaire questions (Author, 2023)

Variable	Item Question
Performance Expectancy	1. I find that DIGI useful for me. **(PI1)** 2. Using DIGI could help me save time. **(PI2)** 3. I find that DIGI could enhance my productivity. **(PI3)** 4. I could use DIGI anytime and anywhere. **(PI4)**
Effort Expectancy	1. I found that it is not hard for me to use, install and activate DIGI account. **(EE1)** 2. Fast for me to utilize DIGI. **(EE2)** 3. DIGI is easy to use. **(EE3)** 4. Easy for me to learn how to use DIGI. **(EE4)**
Social Influences	1. My colleagues or relatives have influences that can change or encourage me to take an action or behavior. **(SI1)** 2. Colleagues or relatives who have influence over me encourage or suggest me to use mobile banking. **(SI2)** 3. Colleagues or relatives who are important to me encourage me to suggest using mobile banking. **(SI3)** 4. Many of my colleagues or relatives use mobile banking. **(SI4)**
Facilitating Conditions	1. I have resources such as a cell phone/cell phone and a capable internet network to run the DIGI application. **(FC1)** 2. I have sufficient knowledge regarding mobile banking to use the DIGI application. **(FC2)** 3. The DIGI app fits the device system I'm currently using. **(FC3)** 4. Bank BJB has provided a good service to help me deal with problems when installing and using the DIGI application. **(FC4)**
Behavioral Intentions	1. If I haven't used the DIGI app by now, I will try to use one sometime soon. **(BI1)** 2. I will continue to use the DIGI application going forward. **(BI2)** 3. I will recommend my colleagues or relatives to use DIGI. **(BI3)**
Use Behavior	1. I consider myself a regular user of the DIGI application. **(UB1)** 2. I prefer using the DIGI application compared to other mobile banking products. **(UB2)** 3. I use the DIGI application a lot when doing banking transactions. **(UB3)** 4. I tend to use the DIGI application for transactions whenever possible. **(UB4)**

RESULT AND DISCUSSION

A.   Loading Factor, Composite Reliability, AVE, and Cronbach's Alpha Test

Composite reliability is used to measure the actual reliability value and Cronbach alpha is used to measure the lowest reliability value of the existing variables. The value of composite reliability and Cronbach alpha must be greater than 0.7 in order to fulfil a good reliability value. To evaluate the convergent validity of the construct, the authors use average variance extracted (AVE) for all items. In order for AVE to be accepted, at least a value of at least 0.5 is needed so that this value can explain 50 percent of the item variances. Factor loading is use to measure the validity of each item question. To be accepted as valid question, factor loading should not be smaller than 0,7 so that the item can be called a satisfactory good.

Table 2. Validity and Reliability Test using Smart PLS 3(Author, 2023)

Construct	Item Question	Loading Factor	Composite Reliability	AVE	Cronbach's Alpha	Result
Performance Expectancy	PE1	0.860	0.923	0.750	0.889	Valid and Reliable
	PE2	0.901				
	PE3	0.859				
	PE4	0.843				
Effort Expectancy	EE1	0.859	0.945	0,812	0,923	Valid and Reliable
	EE2	0.913				
	EE3	0.927				
	EE4	0.904				
Social Influences	SI2	0.978	0.876	0.953	0.951	Valid and Reliable
	SI3	0.975				
Facilitating Conditions	FC2	0.888	0.873	0.697	0.782	Valid and Reliable
	FC3	0.783				
	PE1	0.830				
Behavioral Intention	FC4	0.940	0,901	0,820	0,783	Valid and Reliable
	BI2	0.922				
Use Behavior	BI3	0.860	0,926	0,759	0,894	Valid and Reliable
	UB1	0.821				
	UB2	0.931				
	UB3	0.870				
	UB3	0.870				

Table 3. HTMT Table

	BI	EE	FC	PE	SI	UB
BI						
EE	0.666					
FC	0.807	0.789				
PE	0.789	0.77	0.805			
SI	0.156	0.289	0.222	0.247		
UB	0.884	0.542	0.756	0.647	0.108	

Based on data processing using smartpls3, the authors found that the question items FC1, SI1, SI4, and BI1 had a loading factor value of less than 0.7 so that these three items would be excluded. After removing these three items, there is no loading factor whose value is less than 0.7, so we can conclude that the loading factor is acceptable. Furthermore, if we refer to the minimum number of AVE, namely 0.5, then all constructs can be accepted because they have exceeded the lower threshold value of AVE. Based on the results of calculations via Smart PLS 3, the authors found that all constructs were acceptable and reliable because the Cronbach's alpha and composite reliability values had exceeded the predetermined minimum value of 0.7. Finally, all constructs can be accepted because none of the values exceed the 0.9 threshold of HTMT.

B. Hypothesis Testing

To conduct tests to determine whether the hypothesis can be accepted or not, the authors use the PLS SEM method which is inputted into Smart PLS 3 to see the original sample and p value of each hypothesis tested. The results of the hypothesis testing are shown in the table below:

Table 3. Hypothesis Testing

| Hypothesis	Path	Original Sample	P Values	Result
H1a	Performance Expectancy -> Behavioral Intention	0.355	0	Supported
H1b	Performance Expectancy x Gender -> Behavioral Intention	-0.073	0.206	Not Supported
H1c	Performance Expectancy x Age -> Behavioral Intention	-0.006	0.473	Not Supported
H2a	Effort Expectancy -> Behavioral Intention	0.205	0.001	Supported
H2b	Effort Expectancy x Gender -> Behavioral Intention	-0.047	0.283	Not Supported
H2c	Effort Expectancy x Age -> Behavioral Intention	0.019	0.398	Not Supported
H2d	Effort Expectancy x Experiences -> Behavioral Intention	-0.117	0.01	Supported
H3a	Social Influence -> Behavioral Intention	-0.026	0.32	Not Supported
H3b	Social Influences x Gender -> Behavioral Intention	0.1	0.046	Supported
H3c	Social Influences x Age -> Behavioral Intention	0.023	0.341	Not Supported
H3d	Social Influences x Experiences -> Behavioral Intention	-0.117	0.038	Supported
H3e	Social Influences x Voluntariness -> Behavioral Intention	-0.044	0.237	Not Supported
H4a	Facilitating Conditions -> Use Behavior	0.227	0	Supported
H4b	Facilitating Conditions x Age -> Use Behavior	-0.035	0.197	Not Supported
H4c	Facilitating Conditions x Experience -> Use Behavior	-0.042	0.075	Supported
H5	Behavioral Intention -> Use Behavior	0.551	0	Supported
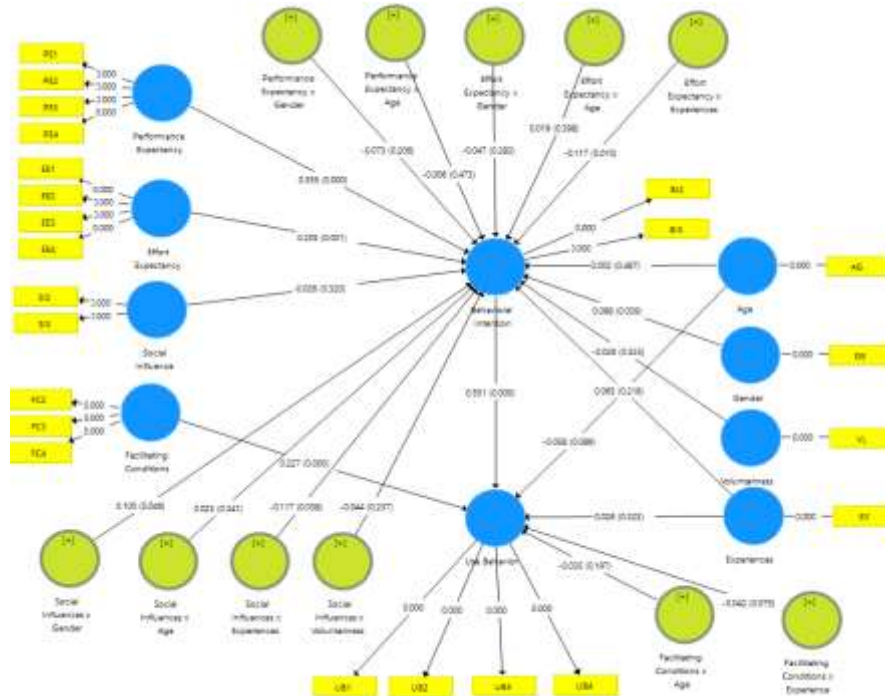
Figure 1. Structural Evaluation Model

Hypothesis H2a, which states that effort expectancy influences behavioral intention, is supported by a p-value of 0.001, suggesting a significant effect. The path coefficient for H2a is 0.205, indicating that individuals who have confidence in learning to use DIGI easily are more likely to have the intention to use it. Analysing hypotheses H2b, H2c, and H2d, which explore the moderating effects of trading factors on the relationship between effort expectancy and behavioral intention, only H2d has a p-value (0.01) below the significance threshold. This suggests that experience moderates the relationship, with longer usage of m-banking weakening the link between effort expectancy and behavioral intention. H2b and H2c, however, are not significant. Moving on to hypothesis H3a, which examines the influence of social influence on behavioral intention, the p-value is 0.32, indicating no significant effect. Nonetheless, H3b and H3d, which explore gender and experience as moderating factors, respectively, reveal significant effects. Women are more influenced by their social environment compared to men, while those with more experience using m-banking are less affected by social influence in relation to their intention to use DIGI. Hypotheses H3c and H3e, which involve age and voluntariness, respectively, have no effect on the relationship between social influence and behavioral intention. Hypothesis H4a, which asserts that facilitating conditions have a significant influence on use behavior, is supported by a p-value of 0.00 and a path coefficient of 0.227. This indicates that individuals who perceive adequate facilitating conditions, such as reliable internet signals and smartphones, are more likely to engage in use behavior. Regarding the moderating factors related to facilitating conditions and use behavior (H4b and H4c), only H4c shows a significant influence. The p-value is less than 0.05, and the path coefficient is -0.042, suggesting that longer experience with m-banking leads to increased attention to the facilitating conditions for using DIGI. Finally, hypothesis H5 confirms that behavioral intention has a significant positive influence on customer usage behavior. The p-value is less than 0.05, and the path coefficient is 0.551, indicating that a higher behavioral intention to use DIGI increases the likelihood of actual application. In conclusion, the study confirms the significant effects of various factors, such as performance expectancy, effort expectancy, facilitating conditions, and behavioral intention, on the adoption of DIGI. Gender, age, and experience also play moderating roles in certain relationships, highlighting the importance of considering these factors when promoting the adoption of digital banking services.

CONCLUSION

After conducting research, it was found that there are 2 variables that influence a person's intention to use m-banking, namely performance expectancy or how much profit is gained by adapting m-banking and effort expectancy or how much effort is needed for someone to be able to make and use the m-banking application. The more benefits obtained from using m-banking such as being able to save time and effort and the less hassle and effort needed to create an account and operate m-banking, the greater is one's intention to use m-banking which in this study refers to the application DIGI. This study also found that the intention or amount of a person's intention and facilitating conditions or the number of facilitating supporting factors have a significant influence on the actual use of DIGI from customers. The greater the customer's behavioral intention and the more facilitating conditions around the customer, the more likely the customer will actually use the DIGI application

RECOMMENDATION

A. Theoretical Implication

The study's findings have significant theoretical implications for understanding digital banking adoption. Performance expectancy positively influences behavioral intention, with customers who perceive convenience and efficiency being more likely to adopt digital banking services like DIGI. Social environment and experience also play a role, with women being more influenced by their social environment. Ease of learning and digital banking services are more likely to be adopted by customers who perceive adequate technological infrastructure. These findings emphasize the importance of considering customers' perceptions, social influences, gender differences, and facilitating conditions in designing effective strategies to promote digital banking adoption.

B. For Managerial Implication

The research highlights several managerial implications for fostering adoption and usage of the DIGI application. Managers should emphasize the advantages of using the application, such as time savings, ease, and financial transaction efficiency. They can reduce the perceived effort customers must expend by streamlining account activation procedures and using smartphone-based functionality. Managers should identify and leverage facilitating conditions that support the application, such as technical support, network availability, and customer assistance channels. Develop strategic partnerships with e-commerce platforms and government initiatives can enhance the application's usability and attractiveness. Conduct customer education and awareness campaigns to increase customer awareness and drive actual usage. Managers should continuously innovate and update the DIGI application based on customer needs, preferences, and market trends to maintain its competitiveness and appeal.

C. For Future Research

Researchers can use the UTAUT 2 method to study m-banking user behavior and use behavior because UTAUT 2 offers broader view on what variable will effect the behavior intention and use behavior. Using MGA to understand demographic groups' path coefficients and strategies can provide a deeper understanding of factors influencing m-banking usage. Additionally, conducting research on smaller regional scales, such as sub-branch offices, can help identify variables affecting users and develop tailored strategies. These recommendations can help researchers develop effective strategies for increasing m-banking users.

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