

CHAPTER II

LITERATURE REVIEW

Digital banking has become the basic factor driving the advancement of transformation in the banking sector. In this case, many of the banks have made a digital transformation. Some of these transformations are carried out slowly, such as using mobile banking or internet banking applications, or becoming a digital bank. With the rapid digital transformation that occurs in the banking sector, it is required to deepen all issues which can interpret the intention to adopt digital banking.

Based on the TAM theory, this research wants to link the correlation of the Perceived of Usefulness and Perceived Ease of Use variables with the intention to adopt digital banking which is indirectly influenced by independent variables from marketing activities and personal competence from banking.

2.1. Technology Acceptance Model (TAM)

In recent years, thanks to the rapid development of the Internet, the national, social, economic and cultural level has changed and has become more involved in the everyday life of every human being. Banking activities are mainly carried out through the way the consumer perceives information and acts on the Internet. The pace of knowledge innovation in today's society is extremely high and digital banking is becoming more and more popular with bank consumers.

According to Sprenger & Schwaninger (2021), the maximum mounted version to measure recognition with the TAM, that can be expected the behavioural purpose to apply the technology. Gao (2019) the technology acceptance model brought new constructs: perceived usability (the certainty the usage of the software would develop performance) and the perceived ease of use (the understanding using a software may be effortless to the user). In TAM, each perceived ease of use and perceived usefulness should expect an individual's mind-set regarding using a software. According to Lai (2017) Technology Acceptance Model (TAM) turned into added with the aid of using Fred Davis in 1986 concept as version of TRA. TAM is especially tailor-made for users' modeling reputation of statistics structures or technologies. Research provides an exceptional context and technique for measuring exceptional variables the usage of exceptional fashions under exceptional conditions. According to Lai (2017). In 2017, TAM research expanded to TAM2, TAM3 and the Unified Theory of Technology Adoption and Use (UTAUT).

According to Surendran in Setiawan & Sulistiowati, (2018), perceived usefulness is described because the capability user's subjective chance which the usage of a positive machine adoption which include in virtual banking machine will enhance the user's effort. The belief of the individual closer to a machine can be inspired via way of means of different elements known as outside variables in TAM (Mulyani & Kurniadi, 2015).

Davis is developing the TAM model to the maximum used framework in predicting statistics era adoption and argued that TAM must be capable of examine elements to affect adoption intentions past perceptions of comfort and usefulness (Lai, 2017). TAM targeted at the outcomes of perceptions of the era's usefulness and comfort on adoption to intention (Lai, 2017). Thus, it's miles beneficial for the usage of figuring out the newness era just like the Digital Banking price system.

Consequently, research on the acceptability of technology in mastering and coaching has come to be an appealing trend. TAM and its many exclusive variations are diagnosed global as a stable basis for making plans and accomplishing empirical studies in teaching (Mulyani & Kurniadi, 2015). There are many extensive reviews of the TAM literature similar to those presented in (Granić & Marangunić, 2019). In addition, many literature reviews and meta-analyses focused on TAM in various application areas (Ingham et al., 2015), e-business implementations Šumak et al., (2017), and a technology review adoption in social networks media (Wirtz & Göttel, 2016) and an overview of TAM research on wireless Internet (Granić & Marangunić, 2019).

2.2. Digital Banking

The improvement of technology information has brought about an evolution that ends in virtual banking offerings. This provider pursuits to enhance the performance of operational and the exceptional of financial institution offerings to its clients. For this reason, banks want to increase enterprise techniques that cause virtual banking offerings. Based on OJK (2022), virtual banking offerings are

banking offerings of the usage of digital or virtual centres owned through the Bank thru virtual media belonging to potential Bank clients, that are done independently. It allows potential Bank clients to attain information, communicate, register, open accounts, banking transactions and close accounts, consisting of acquiring different records and transactions outdoor of banking products, consisting of monetary advisory, investment, digital-primarily based totally buying and selling device transactions (e-commerce), and distinctive desires of the Bank's clients.

Developing a commercial enterprise approach that ends in virtual banking offerings calls for sufficient infrastructure. These consist of chance management, technology information adjustments, commercial enterprise models, commercial enterprise processes, inner control and human assets to help virtual banking offerings' convenience, security, and reliability in presenting records, communication, registration, account starting, transaction processing, and closing account. Considering the banks' readiness, the implementation of virtual banking offerings in Indonesia starts off evolved with the overall performance of a virtual branch, particularly the lifestyles of financial institution centres that feature in particular to manner purchaser registration and account starting independently.

2.3. Intention to Adopt Digital Banking

In current years, virtual banking commenced to get hold of quite a few interests from coverage makers, bankers, generation businesses and consumers. Different to normally implications of e-banking, virtual banking is a current banking commercial enterprise version that operates on the premise of digitizing all financial

institution operations and sports whilst e-banking is simplest an extra provider at the conventional banking platform to offer handy financial institution transactions, invoice bills or account control thru internet, cellular or SMS (Nguyen et al., 2018).

Digital banking allows using era to behavior banking transactions in a easy way but there stays a few inadequate steps and demand-aspect elements prevents the uptake of cashless era (Alkhowaiter, 2020). Furthermore, the general public belief of a totally new virtual banking service. The offerings presented with the aid of using the economic establishments additionally maintain to mission and cater to the attitudes of purchasers who're accepting of recent era merchandise to benefit marketplace opportunities (Widjaja et al., 2020; Tun-Pin et al., 2019).

The adaptation becoming into extra complicated than previous years, with participation of latest gamers from non-traditional monetary establishments including fintech. Overall focus and recognition of fintech merchandise including withinside the Malaysia clients context also are basically unknown and insufficient (Jin et al., 2019). Banks enterprise techniques is changing withinside the context becoming similar to fintech and competing market share with fintech companies (Chang et al., 2016). Banks enterprise techniques is changing withinside the context becoming similar to fintech and competing market share with fintech companies (Indriasari et al., 2019).

Thus, the studies supposed to shut the studies hole and acquire applicable records to assist virtual banking gamers in running in the direction of marketing activities and personal competence within its ecosystem. This research paper is

adapting the TAM based hypothesis of contemplated activity with the reason that an individual's assessments and impression of things will decide the disposition of that individual.

The assessments of customer of banks will impact their mentality towards the acknowledgment of intention to adopt digital banking. Referring to this paper, the determinant factors that can influence the client's perception as a sensible activity with regards to innovation clients are seen value and convenience so that the bank consumer feel the justification for seeing the advantages, thus makes the individual to adopt digital banking. The mindset of adoption of virtual banking is measured through a favorite indicator of facts generation, helps generation adoption, believe in facts generation, and high quality responses or likes to apply facts generation technology (Wijaya & Budiman, 2019).

2.4. Bank Marketing Activities and Bank Personal Competence

2.4.1 Bank Marketing Activities

The advertising good judgment with the aid of using which the agency hopes to create the patron pushed fee and gain those worthwhile relationships is commonly known as advertising method (M. Z. Abedin et al., 2016). The agency makes a decision which clients it'll serve and how. In a relatively aggressive enterprise environment, focusing at the wishes of the clients can deliver an area over competition. As such, advertising method need to be geared in the direction of attaining individuals who might advantage the maximum from the product or service. The agency has determined which marketplace segments to enter, it

determines the way it properly differentiate every marketplace imparting for every goal section and what function it desires to occupy in the one segment. A merchandise function is the area the product occupies relative to competitors' merchandise in consumers' minds. An effort to steer patron notion of a emblem or product relative to the notion of competing manufacturers or products. Its goal is to occupy a clear, unique and fantastic function withinside the patron's mind. These conditions consider the subsequent dimensions in growing a marketplace positioning strategy (M. Z. Abedin et al., 2016):

1. Brand Positioning Strategy.
2. Product Positioning Strategy.
3. Competitive Pricing Strategy.
4. Competitive Positioning Strategy.
5. Alternatives to Marketing Consulting Firm.

Marketing mix can be differentiated into one complex strategy (M. Z. Abedin et al., 2016) and it can be separated into several types of marketing strategies such as Figure 2.1 Element of the Promotional Mix below:

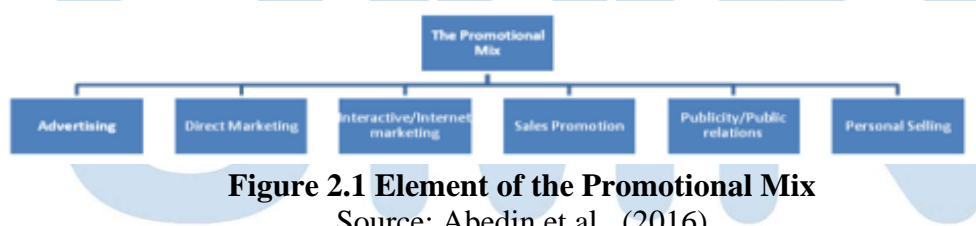


Figure 2.1 Element of the Promotional Mix
Source: Abedin et al., (2016)

Advertising: A device for corporations whose services and products are centered at mass purchaser markets. Advertising is the maximum price powerful for the organization to attain big audiences along with verbal exchange of thoughts

or merchandise within the media television, the press, outdoor, cinema and radio. Direct Marketing: In latest years direct advertising and marketing one of the most important additives of the promotional mix. Direct advertising and marketing is used to goal the clients and have an effect on them to get reaction quickly. Sales Promotion: Sales promoting is one sort of stimulus that gives a further incentive to shop for service or product. According to Mullin in Priansa (2017) sales promotion is a set of techniques short term used to achieve various marketing objectives effectively, through adding value to the product or service, both in the market intermediaries or to direct users, usually not limited in term of certain time.

According to Belch & Belch (2018) event marketing is the motive of occasion advertising is to create reports for clients and sell provider thru related to an occasion. Public Relation: Public relation is worried with people's attitudes towards the corporation or particular problems and designed to promote a services or products and assist advertising sports. Public relation sports consist of elevating awareness, informing and educating, gaining understanding, constructing trust, giving clients a motive to buy, and motivation client acceptance (Belch & Belch, 2018). Personal Selling: In private selling, income men and women are immediately concerned with capability consumer and get remarks swiftly. In private selling, business enterprise promotes their merchandise immediately to clients thru marketing and marketing and promotions or circuitously thru resellers or income people.

An advertising approach may be used to coordinate those elements to optimize fund components while needed. For example, if there may be a robust call for loans, the financial institution can release a promotional marketing campaign to generate extra deposits to satisfy the growing call for loans. discover that a wonderful affiliation among marketing and marketing costs and monetary overall performance extends over time. Personal competence has a totally critical function in organizational understanding management (M. F. Acar et al., 2017).

Another research by Mukhtar et al., (2018), display a conceptual version that indicates how advertising and marketing correlated to personal competence is viewed as an investment of the human capital. Good advertising and marketing first improve client perceptions via development in more than one driver of client fairness. This then ends in multiplied client appeal and retention, which boom client lifetime fee and client fairness. Finally, the boom in client fairness outcomes in a excessive go back on advertising and marketing funding.

Most businesses utilize online marketing strategies such as blogger endorsements, social media advertising, and user-generated content to create brand awareness among clients (Wang & Kim, 2017). Social media comprises internet-associated applications landed on technical and idealistic Web 2.0 regulations, enabling the display and sharing of user-generated content. The performance of integrated marketing activities is done with a negligible expense and measure due to the seamless interchanges among client members, digital services, media, events and shopkeepers via social media (Tafesse & Wien, 2018).

Based on Liu et al. (2021), trade movements for extravagance brands consist of primary aspects such as prestige, customization, trendiness, relations, and enjoyment which significantly affect consumers' purchase intentions and brand equity. Actions that interest society marketing accrues from dealings between occasions and the mental forms of individuals, whereas products are external characteristics for users (Parsons & Lepkowska-White, 2018). However, regardless of whether somebody encounters similar service movements, there is an odd of having diverse statements and senses regarding an occasion; hence, results for users and clients are distinct. In prospective marketing, competition will concentrate more on brand marketing actions; therefore, the marketing movements should deliver sensory stimulation and themes that offer consumers a tremendous experience. Nowadays, brands must supply quality attributes and concentrate on helping an exceptional client experience (Beig & Khan, 2018).

The preceding studies states that the virtual transformation of companies can boom sales and create better aggressive blessings and the cap potential to do greater with fewer resources. But, according to Amelda et al., (2021), internet banking has a mere impact on working expenses and financial institution sales in Vietnam. Moreover, advanced financial administrations do not give upper hands to retail banking in Turkey with respect to execution and monetary effectiveness.

The advanced financial administrations just give key situations to banks in a serious climate. In the Resource-Based Theory describes that corporations ought to consist of all resources, assets, capabilities, organizational processes,

enterprise attributes, and information to achieve best result in marketing activities (Amelda et al., 2021). The TAM principle additionally depicts the carrier logo as gambling an integrating function in aligning customer and employee brand perceptions and personal competence (Zephaniah et al., 2020; Bakhru, 2017; Basu et al., 2017).

2.4.2 Bank Personal Competence

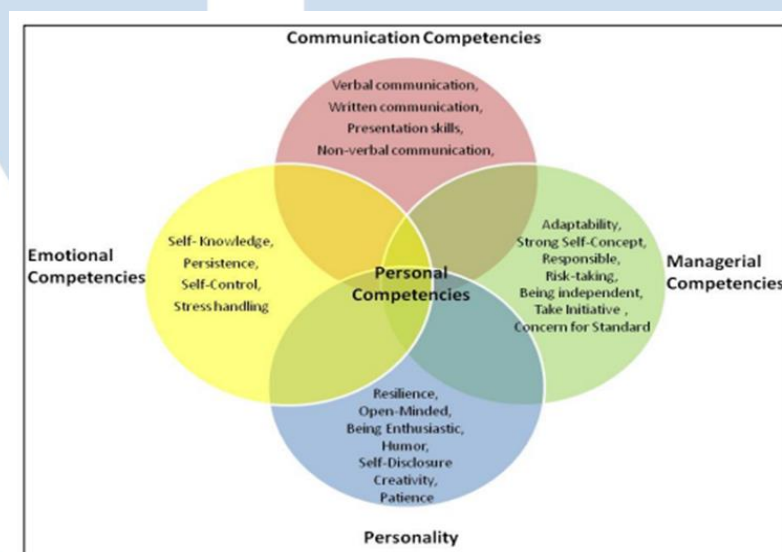


Figure 2.2 Personal Competencies required for Effective Teaching in management Institutions

Source: (Bakhru, 2017)

In present day commercial enterprise conditions, personal competence come to be the maximum precious assets of organization, figure 2.2. Personal competence has a totally critical function in organizational information management. Through personal values, behavior, attitudes, qualities, abilities, and talents personal competence strongly affects the formation of organizational information (Bakhru, 2017). It plays a critical function in developing surroundings

conducive to character and group learning. Personal competence in banking ought to guide and inspire the tradition of developing, sharing, usage, promoting and obtaining new information in financial institution organizations.

Nguyen et al., (2018) classified required competencies for external quality experts, leading to assessing accessible competency frameworks for these experts. The impact of the study functioned as a simple framework for the emerging occupation and did not use any scientific mechanism nor shattered the competencies into grades. No weights or weighted rating was available. Raza et al., (2017) showed an analysis to pinpoint which managerial, technical and personal competencies were essential in management infrastructure. The conception of identification was initially the examination of publications and web-based resources. After that, a questionnaire survey was brought out and a hypothesis was tested to demonstrate that competencies can be determined for management infrastructure operations. The competencies were presented underneath personal, managerial, and technical dimensions. However, there was no section on statuses, assignment of weightage or calculation of weighted rating.

2.5. Perceived Ease of Use and Perceived Usefulness

According to Oluwole O. Durodolu & M Joseph Ngoaketsi (2019), the Technology Acceptance Model (TAM) is gaining popularity for understanding the connection among human beings and era via Perceived Usefulness (PU) and Perceived Ease of Use (PEU). The TAM, that's primarily based totally on the 2 crucial variables of Perceived Ease of Use and Perceived Usefulness, has been

adjudged as an important determinant for study room educational media attractiveness and overall performance and is one of the maximums widely, carried out theoretical fashions withinside the Information System (IS) field. The Technology Acceptance Model makes to be had a succinct technique to version the effect of outside variables on peoples' beliefs, attitudes and intentions. External variables discuss with the best this is out of doors of an individual, for example, training, laptop experience, best of systems, etc. The outside elements basically cause attitudes toward the usage of a specific era and the closing utilization of the era. The TAM model taken in TRA model, which is an activity hypothesis that has reasons with one reason that an individual's responses and perspectives on something will figure out what that individual's reaction and action will be.

The responses and perspectives on data innovation clients will influence their mentality while tolerating the innovation. The affecting element is the customer's viewpoint on the benefits and effortlessness of using IT, making the customer's lead a limit in development affirmation (Hamid et al., 2016). The influencing part, to be explicit the customer's point of view on the benefits and effortlessness of using IT, makes the customer's lead a limit in development affirmation. The user's view of the benefits and ease of using IT, makes the user's behavior a parameter is very important in technology acceptance. Perceived ease of use is a technology which defined as a benchmark for those who believe that devices are easier to get and use (Tyas & Darma, 2017).

2.5.1 Perceived Ease of Use

Perceived ease of use is a technology that is defined as a benchmark for those who believe that computers are easy to understand and use (Tyas & Darma, 2017). Several metrics that can be used to measure perceived ease of use include flexibility, ease of learning, ease of use, and the ability to monitor performance. Expected benefit from the point of view of the consumer of the product or service. The perceived value of the customer is derived from material, psychological and social benefits, and because it affects the demand for a product, thus it needs to be taken into account when setting prices. Convenience is a state in which a person uses technology to carry out their activities and feels comfortable with themselves. (M. G. Nugraha et al., 2016) explained that the higher the comfort level of information technology users, the better the user attitude that will later be associated with adopting systems technology.

2.5.2 Perceived Usefulness

Following with the TAM, the perceived usefulness is likewise stricken by the perceived ease of use due to the fact the less complicated a gadget is used, the greater beneficial the gadget is felt. The TAM is an facts gadget idea that propagates levels to be accompanied with the aid of using facts seekers or inexperienced persons withinside the approval, inculcating and utilizing the latest generation to gain facts literacy skills (Durodolu, 2016).

From numerous empirical checks on TAM, the perceived usefulness continually is a aspect figuring out the person's willingness to apply the device. Perceived usefulness consistent with Davis in Rahmat, (2019). The idea above

illustrates the blessings of the device for the person related to paintings faster, paintings performance, growth productivity, effectiveness, make paintings simpler and useful.

2.6. Previous Research

Previous research aims to obtain material for comparison and reference. In addition, a summary of prior research is carried out to avoid the assumption of similarities with the current research. Hence, in this literature review, including the results of previous studies by summarizing them as follows:

Table 2.1 Previous Research Table

Author & Journal	Journal	Variables	Related Theory	Data Analysis Method
The Literatur Review Of Technology Adoption Models And Theories For The Novelty Technology Lai, (2017)	JISTEM – Journal Of Information System And Technology Management Vol. 14 No.1, Jan/Apr., 2017 pp 21-38. ISSN Online: 1807-1775 DOI: 10.4301/S1807-17752017000100002	Design Security Perceived Usefulness Perceived Ease Of Use Consumer Intention To Use	Theory Of Reasonable Action TAM TAM 2 TAM 3 UTAUT	Comparison on TRA, TAM, TAM 2, TAM 3, UTAUT
The Influence Of Perceived Ease Of Use And Usefulness Of The Academic Registration System On The Attitude Of Using Online Study Plan Card (KRS) Rahmat, (2019)	Jurnal Manajemen Teori Dan Terapan Tahun 12 No.3, Desember 2019	Perceived Usefulness Perceived Ease Of Use Usage Attitude	TAM	SEM
Factors Influencing Behavioral Intention Towards Adoption Of	International Journal Of Asian Social Science ISSN(e): 2224-4441 ISSN(p): 2226-5139	Perceived Usefulness Perceived Ease Of Use Social Influence Compatibility	TAM Innovation Diffusion Theory (IDT)	Cronbach Alpha Coefficient Correlation Coefficient

Author & Journal	Journal	Variables	Related Theory	Data Analysis Method
Digital Banking Service In Malaysia Wen Ni, (2020)	DOI: 10.18488/journal.1.2020.108.450.457 Vol. 10 No. 8, 450-457.	Triability Observability Intention Towards Adoption		Multiple Liner Regression
Analyzing The Factors Influencing Adoption Intention Of Internet Banking: Applying DEMATEL-ANP-SEM Approach Lin et al., (2020)	Department Of Banking And Finance, Chinese Culture University, Taipei, Taiwan PLOS ONE https://doi.org/10.1371/journal.pone.0227852	Perceived Usefulness Perceived Ease Of Use Attitude Toward Using Behavioral Intention To Use Actual System Use	TAM	DEMATEL SEM Analytic Network Process (ANP) Integration Of SEM, DEMATEL, ANP
Factors Influencing The Adoption Of Digital Banking In Indonesia Kiliari & Koesrindartoto, (2019)	School Of Business And Management, Institut Teknologi Bandung, Indonesia The 4 th ICMEM 2019 And The 11 th IICIES 2019, 7-9 August 2019, Bali, Indonesia ISSN: 978-623-92201-0-5	Perceived Self Efficacy Complexity Relative Advantage Compability Perceived Usefulness Perceived Ease Of Use	TAM	Multiple Liner Regression
Individuals Behavioral Intention To Adopt Internet Banking System In Bangladesh- An Approach To Extend TAM Islam & Ahmed, (2020)	International Journal Of Progressive Sciences And Technologies (IJPSAT) Vol. 24 No. 1 December 2020, pp. 520-532 ISSN: 2509-0119	Perceived Usefulness Perceived Ease Of Use Perceived Enjoyment Social Influence Behavioral Intention To Adopt Internet Banking	TAM	Cronbach Alpha Coefficient Correlation

Source: Author (2021)

As shown in Table 2.1, several preliminary research conducted to identify the determinants of intention to use digital banking, most of which employ TAM and UTAUT. Consequently, they identified almost similar determinants, among others,

perceived ease of use, perceived usefulness, self-efficacy, social influence, and conditions in facilities. Some also propose other specific determinants, such as price value, perceived financial cost, and awareness knowledge. Perceived ease of use and perceived usefulness seem dominant to determinants. However, little has explored the bank's marketing activities that drive the determinants above. Understanding the link between these activities and the determinants is expected to provide more managerial implications. For example, given a digital banking technology in a bank, the marketing team understands what activities to do intensively to improve the adoption rate, what kind of training should be developed to equip the marketing personnel, and so on. Some research has tried to address this issue, but most of them primarily focus on the digital technology-related factors themselves (Naruetharadhol et al., 2021).

To address the issue above, this research will employ TAM and link it with the bank marketing activities and personal competence. In this model, the main determinants of intention adopting digital banking are perceived usefulness and perceived ease of use. Based on Aditya & Putra (2021) perceived usefulness is described because the quantity to someone which believes that the usage of era could embrace task performance. In this journal, Liébana-Cabanillas et al., (2016) tells that perceived ease to use is a perception that is very easy to use. Based on that understanding, perceived ease of use has a very influencing factor. Namely, it must be easy to use by bank customers to adopt digital banking.

2.7. Conceptual Framework

The intentions to adopt digital banking in query is the choice of people to apply the identical data technology and conduct activities using it (Wijaya & Budiman, 2019). According to Tiong et al., (2020), virtual adoption aim is measured through signs of a choice to apply data era in acquiring commercial enterprise data, the choice to undertake data era withinside the manufacturing process, and the choice to intensively use data era in commercial enterprise management (Lin et al., 2020).

In objectives, the conceptual model is built based on TAM and perfected with various completion of previous research and studies. The results of the preliminary survey on the context of the banking industry, it is obtained that two variables are suspected to act as external variables in TAM. These variables are Banks' Marketing Activities (BMA) and Bank's Personal Competence (BPC).

In the research, the TAM of perceived ease of use and perceived usefulness in digital can be both direct variables affecting the Intention to Adopt Digital Banking (IADB), also mediating variables for BMA and BPC. BMA and BCA can both directly influence the dependent variable Perceived Usefulness (PU) and Perceived Ease of Use (PEU). The intention of the research findings it not only to find out whether BMA and BCA can influence IADB, the paper suggest that to understand the correlation deeper in context what type of marketing activities are able to influence bank's customer intention to adopt digital banking in this current digital environment. This idea can be challenging since the consumer behaviour is changing.

The main question raised is if the conventional marketing techniques still pertained its validity and effectiveness. In addition, will customers can have a better perceived usefulness for Internet banking withinside the case of a better perceived ease of use for Internet banking. Also, if customers might be extra glad with the offerings supplied through Internet banking withinside the case of a better perceived usefulness for Internet banking.

According to literature review, perceived ease of use and perceived usefulness have been covered withinside the studies dimensions of this study, and perceived usefulness become described because the diploma to which a purchaser believes that during the use of a brand-new machine, the facts supplied with the aid of using such machine will enhance transaction performance, which suggests that a purchaser expects to enhance banking transaction performance in the use of digital banking.

Meantime, perceived ease of use become described because the diploma to which a customer believes that the use of new generation might be effortless, which suggests that customers will effect entire banking enterprise in gaining knowledge of or running a gadget interface which will lead to seamless learning curve for consumer and shorter time for adaptation.

U N I V E R S I T A S
M U L T I M E D I A
N U S A N T A R A

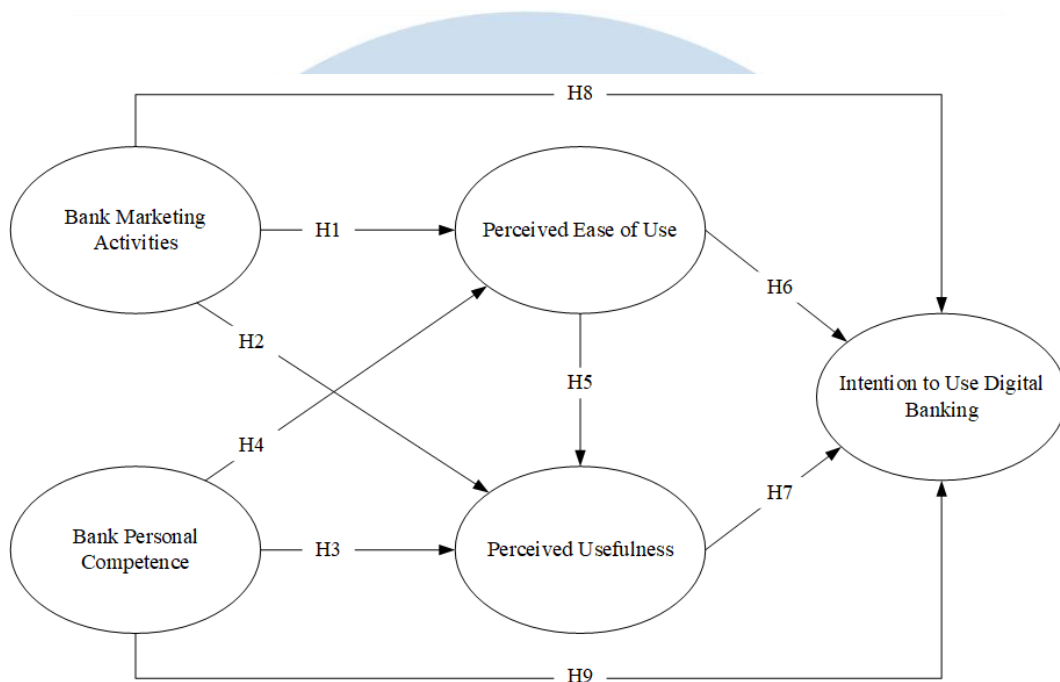


Figure 2.3 Research Framework

Source: Author (2021)

Based on comparisons of reputation of the dimensions by the research and test model, it will determine the variables that influence intention to adopt digital banking which can be use as reference for the banking industry personnel and consumers, as well as to help analyze to increase business decisions on upcoming digital banking research.

Research to investigate the adoption of digital banking is huge, and they have been conducted in many countries. What makes this research unique is the involvement of marketing function to the adoption. This research does not merely focus on the technology only (as many previous research did), but also focuses on the marketing contribution to increase the adoption rate given the digital banking technology. These marketing factors are reflected in the variables: Bank Marketing Activities and Bank Personnel Competence.

2.8. Hypothesis Development

In order to continue to the research study, the research model and the testing model will be tested base on these following hypotheses:

2.8.1. The Effects of Bank Marketing Activities on Perceived Ease of Use

Marketing mix can be differentiated into one complex strategy and it can be separated into several types of marketing strategies with objective to occupy a clear, precise and effective role withinside the consumer's mind (Abedin, 2016). These conditions consider the combination of the correct marketing strategy such as brand positioning, product positioning, pricing strategy and competitive positioning strategy (Abedin, 2016). Therefore, in order to support the description stated above, it is imperative to understand the importance of marketing strategies to the perception of consumer in this hypothesis:

H₁ : Bank marketing activities will have positive relationships on perceived ease of use.

2.8.2. The Effects of Bank Marketing Activities on Perceived Usefulness

The current information technology can support the success of a bank's operations. Through an easily accessible system, customers can carry out various transaction activities such as checking information services balances, making transfers and payments (electricity, water and internet) and purchasing credit. This activity can be done thanks to advances in information systems in world banking, namely with the birth of electronic banking (e-banking). To meet the demands of customers who want a fast, safe, convenient and cheap service, and can be done

anywhere, anytime and anywhere. Now the bank provides technology-based services to make it easier for customers to conduct financial transactions through mobile services banking (Styarini & Riptiono, 2020).

H₂ : Bank marketing activities will have positive relationships on perceived usefulness.

2.8.3. The Effects of Bank Personal Competence on Perceived Usefulness

According to the study of personal competence; values, attitudes, qualities, skills and abilities, personal competence strongly influences the formation of organizational knowledge and performance (Jovančević et al., 2015). Based on statement above, it is understood that:

H₃ : Bank personal competence will have positive relationships on perceived usefulness.

2.8.4. The Effects of Bank Personal Competence on Perceived Ease of Use

With sufficient competence, demonstrate abilities and skills as a basis for assessing the usefulness and easy accounting information system it uses in running operational activities of the organization in the financial sector (Rahayu et al., 2015). Based on statement above, it is understood that:

H₄ : Bank personal competence will have positive relationships on perceived ease of use.

2.8.5. The Effects of Perceived Ease of Use on Perceived Usefulness

The comfort level of information technology users will affect the user attitude which will influence the mind-set of the product function as well the

learning curve in using the product. Therefore, based on theory of TAM, it is important to understand that the relationship/causal effect of PEU and PU is closely correlated (Nugraha, et. al, 2016):

H₅ : Perceived ease of use will have positive relationships on perceived usefulness.

2.8.6. The Effects of Perceived Ease of Use on Intention to Adopt Digital Banking

Based on theory of TAM, through personal behaviour, values, and attitudes can strongly influences the formation of an intention to adopt new innovation and adapt to changes (Jovančević et al., 2015). Therefore, based on the description stated above:

H₆ : Perceived ease of use will have positive relationships on intention to adopt digital banking.

2.8.7. The Effects of Perceived Usefulness on Intention to Adopt Digital Banking

Based on this research, perceived usefulness can be effective when customers feel they have benefits for activities in transactions. Several previous studies have also validated that there is a very strong connection that Perceived usefulness is one of the triggers for customers to want to use mobile banking (Raza et al., 2017), therefore:

H₇ : Perceived usefulness will have positive relationships on intention to adopt digital banking.

2.8.8. The Effects of Bank Marketing Activities on Intention to Adopt Digital Banking

There is a positive correlation among financial performance and advertising expenses overall performance extends over time (Acar, et. al, 2017). Therefore, there is a need to address under marketing studies, the correct marketing strategies that produce optimal result campaign that result to conversion of sales:

H₈ : Bank marketing activities will have positive relationships on intention to adopt digital banking thru mediation of the variable Perceived Ease of Use (PEOU).

2.8.9. The Effects of Bank Personal Competence on Intention to Adopt Digital Banking

Perceived benefit to different customer behaviour can differ from time to time. Therefore, intellectual capital of personal competence that align with customer orientation are proven to be a crucial factor for the adoption in digital banking (Teece, 2018):

H₉ : Bank personal competence will have positive relationships on intention to adopt digital banking thru mediation of the variable Perceived Usefulness (PU).