

Model of decision making behavior in using digital banking services: an approach to developing a conceptual framework that

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ABSTRACT

This research aims to understand the decision-making behavior of a bank's customers in using digital banking services through the Decision-Making Behavior Model approach. By utilizing data collection methods through literature studies, as well as data processing methods through editing, classification, verification and conclusions, the analysis results show that technological advances have had a significant impact on consumer behavior in choosing banking services. The use of digital banking services has changed the way consumers interact with financial services, with an increasing preference for services that are convenient and easy to use. Implementing the Decision-Making Behavior Model allows banks to better understand customers' decision-making processes and identify specific actions to improve the user experience of digital banking services.

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1. INTRODUCTION

Current advances and developments in technology influence trends in the use of technology in daily activities. Many businesses use it to help them in their work, improve their customer service and improve company performance (Sudiantini et al., 2023). One way is by using the internet, a technology that is generally used by society. Business activities on the internet make it very easy for buyers and sellers without having to meet each other (Kardiono, 2016). The use of the internet is based on the efficiency of very fast activities and just using access to a *smartphone* can carry out activities quickly.

We Are Social report reports that by January 2023, the number of internet users in Indonesia will reach 213 million people, or 77% of Indonesia's total population, which amounted to 276.4 million people at the beginning of the year. In the last few decades, there has been a trend that the number of Indonesian internet users continues to increase every year. From January 2013 to January 2014, there was an increase of 142.5 million internet users in the country. In the last ten years, the number of internet users has increased annually by 50.16% (yoy). However, late growth is only 0.5% in January 2022 (yoy). Additionally, the report found that the average Indonesian uses the internet for

7 hours and 42 minutes every day. On the other hand, the majority of Indonesians, or 98.3%, use mobile phones when accessing the internet (Annur, 2023).

People in Indonesia are the biggest consumers of internet use because basically everyone wants instant activities. Everyone feels that by using the internet all work becomes faster, so the internet is implemented in various activities, one of which is in the banking world. This implementation is digital banking which makes it very easy to access the digital banking application. If in the past you still used manual methods by going to the bank to carry out financial activities, now you use applications so you don't have to wait for hours (Rizaty, 2021).

It is stated that people's use of digital banking sometimes has its own characteristics as a consideration in using digital banking. The reason for this is because there are different service strategies at each bank, so people choose that bank for the reason that they like the service, interest, mobile application, or other reasons (Paramita & Putribasutami, 2018). The decision-making process involves various parties, each with their own role to play. Firstly, the initiator is the individual who takes the first step in considering a purchase. Secondly, influencers hold sway over the decision-making process by providing information and criteria that impact the final choice, whether intentionally or not. The decider holds the crucial role of making the ultimate decision on whether to make a purchase, what to buy, and how to go about it. The buyer, on the other hand, is the one responsible for completing the actual transaction. Lastly, users are the individuals who ultimately utilize the goods or services that have been purchased. These distinct roles collectively shape the path to a successful decision-making process (Hendro et al., n.d.).

There are many considerations made by society in making decisions and there are internal or external influences, so the analysis that will be carried out in this research is " *Decision Making Behavior Model in Using Digital Banking Services: A Quantitative Approach to Developing a Conceptual Framework that Understands the Decision Process of Bank Customers* "

2. RESEARCH METHOD

Method of collecting data

Data collection was carried out to obtain some of the data needed in the research. In this research, the data collection technique was based on studying relevant literature and filling out an online questionnaire. This research was carried out through library research or literature study by studying, researching, examining and reviewing literature in the form of books (text books), journals, statutory regulations, magazines, newspapers, articles, and previous research which also has a relationship with the problem under study. This literature study aims to obtain as many theories as possible which are expected to support the data collected and its further processing in research (Sutton & Austin, 2015).

Data Processing Methods

In processing research data, there are several essential steps that need to be carried out. Firstly, the editing process involves examining the collected data to ensure completeness, clarity of meaning, readability, and relevance to other information. For instance, in a particular research project, the researcher conducted an editing process on theoretical data gathered from literature sources and public perceptions on environmental accounting. Secondly, the classification stage involves a detailed study of all obtained data, grouping them based on research requirements. This categorization aims to facilitate easier comprehension of the data and provide researchers with objective information. The third step is verification, where data and information obtained from various collection methods are thoroughly checked for accuracy and validity. This validation ensures that the data can be relied upon for the research at hand. Finally, the conclusion phase summarizes the entire data processing procedure, encompassing the editing, classifying, and verifying stages.

Data analysis

Data analysis is an important part of the data testing process where the results will later be used as adequate evidence to conclude a study. The type of data analysis in this research is descriptive analysis with qualitative research methods. The descriptive method itself is a step in solving the

problem being investigated by describing the current state of the research object or subject based on several facts as they exist.

3. RESULT AND DISCUSSION

The Influence of Technological Progress on Consumer Behavior

In an era of rapid technological progress, consumer behavior towards digital financial services has experienced a significant increase. The use of technology influences consumer decisions regarding banking services (Manzilati & Donabella, 2022). Banks in general can gain a better understanding of how consumers behave and engage with their digital banking services by taking the approach of establishing a Decision-Making Behavior Model in the Use of Digital Banking Services. This is important because technology facilitates and accelerates access to banking services, thereby influencing the way people make financial decisions.

The adoption of digital banking services has changed the way consumers interact with financial services. Previously, users had to make transactions at the bank or via ATM. However, with the development of digital banking services, individuals can now access and manage their accounts from any location using a mobile device or PC. This ease of access influences consumer behavior in choosing banking services, increasing preferences for services that are comfortable and easy to use.

Technology impacts consumer decision-making processes related to security and trust. Banks must ensure their digital banking systems are safe and reliable because consumer trust is very important in choosing financial services. Banks can improve their marketing and product development efforts by creating a conceptual framework that understands customers' decision-making processes. This will help banks retain and attract new customers in an increasingly competitive banking environment.

Decision Making Behavior Model in Using Digital Banking Services

Developing digital banking services requires a thorough understanding of customer decision-making behavior. In the context of application, decision-making behavior models provide detailed information about how customers interact with digital banking services. This method allows a bank to understand the flow of thought and elements that influence consumer decisions in using its digital banking services.

With this technique banks can identify specific actions to improve the user experience of digital banking services. Understanding decision-making behavior models allows banks to identify important stages in the consumer decision-making process, such as factors that influence purchasing decisions and user preferences. This allows banks to create more effective strategies in promoting and developing their digital banking services.

The application of decision-making behavior models allows a bank to adapt its services to the interests and needs of specific customers (Fatimah, 2020). Banks can better meet customer expectations and desires by learning more about the decision-making process. This can help banks strengthen customer relationships and increase consumer loyalty over time. Therefore, the application of decision-making behavior models is an important tool for building a conceptual framework that understands bank customers' decision-making processes when using digital banking services.

4. CONCLUSION

With advances in technology and the use of digital banking services, it is natural that a bank requires comprehensive awareness of consumer behavior. With the *Decision Making Behavior Model approach*, a bank can reveal the factors that influence consumer decisions in using digital banking services. This allows banks to develop more successful marketing strategies, improve user experience and strengthen customer relationships. In addition, technology influences consumer decisions regarding security and trust in digital financial services. Therefore, banks must continue to update and perfect their digital banking systems in order to maintain customer trust and attract new customers in the face of increasingly fierce competition. Therefore, creating digital banking services, a bank not only requires providing a user-friendly platform, but also understanding and responding

to consumer desires and preferences. Banks can continue to develop and improve their services in the digital world by taking a comprehensive approach to consumer decision making.

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