LETTER OF ACCEPTANCE

"International Conference of SEMIRATA 2020"

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Paper Title: Analysis of Customer Confidence on Purchase Decision at Online Banking

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Congratulations on the acceptance of your paper! And thank you for your interest in the International Conference of SEMIRATA 2020.

On behalf of the Conference Advisory Committee, I would like to formally invite you to present your paper in 15 December 2020 via Zoom platform (Commitee will be sending your presentation schedule along with zoom link on the next email).

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Analysis of Customer Confidence on Purchase Decision at Online Banking

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Abstract. The main problem in this study is the absence of measurements on customer satisfaction, site security, site view, trust and purchase decisions of customers. The purpose of this study is to help the company, management or related business units to obtain results that can be used as a reference in the development of the application to increase the value of the transaction and the number of users. The model used for this study is multiple regression analysis with SPSS 20.00 software. Data is collected by using questionnaire. Validity and, reliability tests, are conducted before regression to ensure that all item questions are valid and reliable. The result of regression analysis indicates that from three independent variables (customer satisfaction, site security and site view), researchers find that variable site view does not have significant impact on purchase decision, but for the other two variables are significant. The conclusion of this case study is to pay attention to customer satisfaction and website security, and customer trust so that the system can run in accordance with the company's expectation, where the customer purchase transaction will increase intensively, because this company will benefit from the transaction volume and get the loyal customers that will attract other customers to use this system.

1. Introduction

Bank is one of the organizations that utilize internet as a means or media in order to carry out a transaction, where it can provide benefits for the company. By looking at the growth of the internet is increasing very fast from year to year, and see the opportunities that exist in the future. Bank XYZ as one of the largest Banks in Indonesia has created an online shopping transaction application system (e-commerce). The name of system in this case is XYZ online banking. This application system aims to facilitate customers in transactions anytime and anywhere, without forgetting the sense of security and comfort for customers.

The system that has been created is a system that runs online (24 hours). Since it launched in 2016, this online shopping transaction application system is one of the leading applications of the Bank. But from the beginning of the launch of this system, there has been no results of analysis reports that can provide more information or knowledge, to management or business units related, whether the application system that has been developed is quite useful and meet business targets. The important issue is how confidence consumers of Banks who already used this system in purchasing goods online. Customer satisfaction, site security, and site view are also important factors that needs more attention.

Customer satisfaction is the buyer's evaluation where the chosen alternative is at least equal or exceeds the customer's expectation, dissatisfaction arises when the outcome does not meet expectations [1]. Satisfaction is a major factor for many customers to remain loyal. In your own organization, your efforts can be a determining factor in customer ratings for the quality of service

provided [2]. From both theories can be interpreted that customer satisfaction is the first key to make consumers become loyal to keep using the product.

In addition to customer satisfaction, business transactions through internet (online) does not mean to avoid the evil by others as conventional transactions. Potential crimes of fraud (phishing website), hijacking credit cards (carding), man in the middle, transferring illegal funds from certain accounts, and the like are very large if the e-commerce infrastructure security system is still weak. Therefore, the security of the site from e-commerce infrastructure becomes important and serious for computer and informatics experts [3]. The existence of site security protects the user from the risk of fraud, hacking and phishing, thus increasing consumer confidence [4].

In addition to customer satisfaction and site security, site view can also affect trust in online transactions. Displaying the site (website) professionally indicates that the online store is competent in running its operations. Professional website view gives customers a sense of comfort, so customers can be more trustworthy and comfortable in making purchases [5].

The process of buying and selling products have been used the e-Commerce services. It is a concept of sales and purchases made with the help of internet [6] [7]. E-Commerce, not only the commerce sector but also banking sector. Then, e-Commerce is a powerful tool that can enrich the company's strategy in the search for competitive advantage such as customer satisfaction [8] [9], site scurity [10], and site view [11].

2. Literature Study

Theoretically, customer satisfaction can provide several benefits such as the relationship between the company and the consumer to be harmonious, providing a good foundation for repeat purchase and the creation of customer loyalty, and create a recommendation from mouth to mouth that is profitable for the company [12]. For industries engaged in services, customer satisfaction becomes a definite demand [13]. According to [14] customer satisfaction is the result of accumulation of consumers or customers in using products and services. Customers are satisfied after purchasing the product as well as using the product, and the quality is good. Therefore, comprehensive service powers, recommend to others, and will re-uses [14], effective complaint handling system [15], features of products and services [16] will give effect to the satisfaction of customers.

Site security strategy is an important role in establishing trust in e-Commerce. It is one of the most influential factor on consumer purchasing decisions through the internet [17]. The Indicator of site security are security guarantees [10], data confidentiality pop-up ads unexpected emails, company identity, encryption connection, and privacy statement [18].

Then, site view is well designed so that customers only need a little effort to find and buy goods as desired [11]. In addition there are 3 general categories to assess the quality of a site namely: interface [11], special features [19], color composition and contrast levels [20].

Besides, trust in an online store is a willingness to accept weaknesses in online transactions based on positive expectations about the future behavior of online stores [23]. The level of individual trust is related to integrity, kind [21], brand/trademark [22], reliability, and durability [23]. Purchasing decisions also made by consumers consist of several stages, namely the introduction of problems, information search, alternative evaluation, purchasing decisions, and post-purchase behavior. The decision to buy online is influenced by cultural factors [24], social factors, interaction [25], and network [26].

3. Research Method

This study examines the research in XYZ online banking model for customer satisfaction, site security, site view, trust and purchase decision of following variables and indicators (see table 1). Figure 1 shows research model in the study.

Table 1. Research Variables and its Indicators.

Variables	Indicator	Source

|	Features of products and services (X1.1)	[16]
	Customer emotions (X1.2)	
Customer Satisfaction (X1)	Comprehensive service powers (X1.3)	[14]
	Recommend to others (X1.4)	
	Will re-uses (X1.5)	
	Effective complaint handling system (X1.6)	[15]
	Security guarantees (X2.1)	[10]
	Data confidentiality (X2.2)	
Site Security (X2)	Pop-up ads (X2.3)	[18]
	Unexpected emails (X2.4)	
	Company identity (X2.5)	
	Encryption connection (X2.6)	
	Privacy Statement (X2.7)	
Site View (X3)	Interface (X3.1)	[11]
	Special features (X3.2)	[19]
	Color composition and contrast levels (X3.3)	[20]
	Integrity (Y1.1)	[21]
	Kind(Y1.2)	
Trust (Y1)	Brand/Trademark (Y1.3)	[22]
	Reliability (Y1.4)	[23]
	Durability (Y1.5)	
	Cultural factors (Y2.1)	[24]
	Social factors (Y2.2)	
Purchase Decision (Y2)	Interaction (Y2.3)	[25]
	Network (Y2.4)	[26]
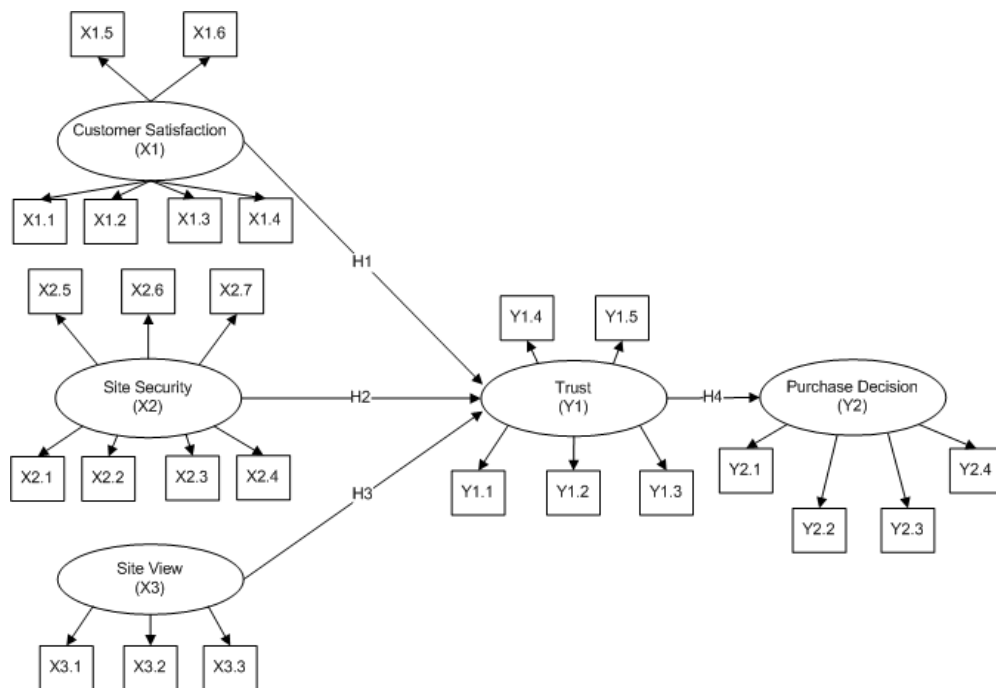
Figure 1. Research Model

Based on the figure 1, there are five hypotheses, namely: H1: There is influence of consumer satisfaction (X1) on trust (Y1); H2: There is a site security (X2) effect on trust (Y1); H3: There is influence of site view (X3) on trust (Y1); and H4: There is an influence of trust (Y1) on purchase decision (Y2).

The study used questionnaire with a Likert scale of 5 and distributed to 1,00 respondents. The questionnaires were delivered through shared link google forms with the respondents. The interview process to selected respondents also had been conducted to verify all questionnaires. Based on the questionnaires replied and checked, 100 questionnaires were valid for further analysis (See table 2 for the details). All respondents were selected from active online buyers that have frequently purchased goods on the internet. Most of their ages were ranging between 26 - 30, with most of duration of internet usage 2 -3 hours daily.

Table 2. Demographic Data of Respondents

Variable	Data
Age	20-25 Years Old (Qty=32 -> 32%)
	26-30 years Old (Qty=36 -> 36%)
	31-35 years Old (Qty=22 -> 22%)
	36-40 years Old (Qty=6 -> 6%)
	> 40 years Old (Qty=4 -> 4%)
Gender	Male (Qty=55 -> 55%)
	Female (Qty=45 -> 45%)
Duration of Internet Usage	< 2 Hours (Qty=11 -> 11%)
	2-3 Hours (Qty=28 -> 28%)
	> 3 Hours (Qty=61 -> 61%)

4. Result and Analysis

The result of validity test on the all item questions of customer satisfaction (X1), site security (X2), site view (X3), trust (Y1), and purchase decision (Y2) in the questionnaires show that the significant (2-tailed) value is less than 0.05 for the whole statements, or calculated Pearson Correlation is much higher than r table. Therefore, it can be concluded that all statements are valid.

Reliability test indicates that the value of Cronbach alpha for Customer Satisfaction (X1), Site Security (X2), Site View (X3), Trust (Y1), and Purchase Decision (Y2) are all greater than r table, it can be concluded that items contained in the questionnaire of all independent and dependent variables are reliable.

Then, hypothesis test results are done by looking at the results of t test and F test results, based on this matter is expected to be drawn conclusions and see how the effect of variables that exist in this study. The t test is known as partial test, that is to test the influence of each independent variable the dependent variable. In this study, the results of regression related to hypothesis test using the t test i.e. H1, H2, H3 and H4, is presented in Table 3.

Table 3. Results of T Testing (X1, X2, X3 to Y1)

		Coefficients[a]				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.713	2.071		1.310	0.193
	Customer Satisfaction (X1)	0.364	0.089	0.407	4.098	0.000
	Site Security (X2)	0.183	0.075	0.218	2.440	0.017
	Site View (X3)	0.247	0.158	0.150	1.565	0.121

a. Dependent Variabel: Trust (Y1)

Based on Table 3 above, it is estimated that a constant value 2.713, and the regression coefficient of b1, b2 and b3 is 0.364, 0.183 and 0.247 respectively and t test indicates that all regression coefficients are positive and highly significance, except Constant, and Site View

coefficients are not significant. The estimated regression equation is $\hat{Y}1 = 2.713 + 0.364\ (X1) + 0.183\ (X2) + 0.247\ (X3)$.

The estimated model indicated that: (1). Constant value 2.713, meaning that if Customer Satisfaction (X1), Site Security (X2), and Site View (X3) equal to zero, then Trust value (Y1) is 2.713. It is important to note that the t test shows that constant coefficient does not have a significant impact on Trust; (2) The regression coefficient of the Customer Satisfaction variable (X1) shows a positive value of 0.364. The t test also indicated that Customer Satisfaction variable has a significant impact on Trust, meaning that the higher level of Customer Satisfaction (X1) will cause higher Trust (Y1). Therefore hypothesis (H1) is accepted; (3) The regression coefficient of Site Security variable (X2) shows positive value of 0.183. The t test also indicated that Site Security variable has a significant impact on Trust (Y1), meaning that the higher level of Site Security (X2) will cause higher Trust (Y1). Therefore hypothesis (H2) is accepted; and (4) The Site View variable (X3) does not have significant impact on Trust (Y). Therefore H3 is rejected, meaning X3 does not impact Y1.

Further step is to analyse the impact of Trust (Y1) variable on Purchase Decision variable (Y2). The regression result is presented in Table 4.

Table 4. Result of T Testing (Y1 to Y2)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.657	1.284		9.080	0.000
	Trust (Y1)	0.215	0.068	0.305	3.169	0.002

a. Dependent Variabel: Purchase Decision (Y2)

Next step is to analyse the impact of Trust variable (Y1) on Purchase Decision (Y2). Table 4 indicates that regression coefficient of Trust variable (Y1) shows positive value of 0.215. The t test indicates that Trust variable has a very significant impact on Purchase Decision, with sig value 0.002<0.1, meaning that the higher level of Trust (Y1) will cause higher Purchase Decision (Y2). Therefore hypothesis H4 is accepted.

Then, a summary of hypothesis testing can be seen in the following Table 5. The tests on five hypotheses proposed in this study, successfully accepted three hypotheses namely H1, H2, and H4, while H3 is rejected. The results of previous regression analysis and hypothesis testing is summarized in Table 5 below.

Table 5. Results of Hypothesis Testing

Hypothesis	Status
H1 There is influence of customer satisfaction (X1) to trust (Y1)	Significant
H2 There is a site security (X2) effect on trust (Y1)	Significant
H3 There is influence of site view (X3) on trust (Y1)	Not Significant
H4 There is an influence of trust (Y1) on purchase decision (Y2)	Significant

5. Conclusion

Based on the purposes of the analysis, the research conclusions can be put forward as follows: First, the higher the level of customer satisfaction has a direct positive effect on trust in a purchasing decision. Second, the higher level of site security has a direct positive effect on trust in a purchasing decision. Third, the higher the Site's view level has no direct positive effect on trust in a purchasing decision. Fourth, Trust strongly influences a buying decision.

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