

What Drives Mobile Banking in Digital Age? An Empirical Examination Among Young Consumers.

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- **Abstract:** This study aims to examine the factors that encourage young consumers who intend to adopt mobile banking (m-banking) facility in the current digital era. The empirical testing of the intention of m-banking adoption is based on the perspective of users who are included in the criteria of young consumers in developing countries. Young consumers in developing countries are potential markets for m-banking services in the digital era that demand the effectiveness and efficiency of banking transactions. These young consumers tend to have high mobility and are more aware of the development of m-banking technology to fulfill their needs and wants using easy, fast, and practical banking transactions. By using purposive sampling technique, as many as 290 young consumers (18-30 years old) of m-banking in Indonesia were chosen as respondents of this study. Next, the data is analyzed using the structural equation modeling (SEM) technique. The results showed that all factors that were thought to have a positive effect on the intention to use m-banking among young consumers supported the empirical data. The antecedent factors tested included attitude, perceived usefulness, service quality, system quality, and trust. Internal factors of m-banking users, namely attitude, perceived usefulness, and trust have a greater influence on the intention to use m-banking than external factors. The external factors are in the form of supports provided by banks to m-banking users, namely service quality and system quality.
- **Keywords:** m-banking users, structural equation modeling, digital era, potential markets