The Influence of Service Features and Sales Promotions on Intention to Use Livin' By Mandiri Application

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Abstract: In Indonesia, digital banking transactions are expanding at an accelerated rate. This promotes digital banking competition, particularly mobile banking usage. This study seeks to determine the impact of service features and sales promotions on Livin' by Mandiri application usage intentions. The method employed is quantitative and employs purposive sampling techniques. In addition, questionnaire surveys were used to collect data during the research procedure. This study's sample consisted of 100 respondents who resided in Jabodetabek and utilized the Livin' by Mandiri application. Using version 25 of SPSS, descriptive analysis, research instrument testing, classical assumption testing, multiple linear regression testing, and hypothesis testing were used to analyze the data for this study. The results indicate that service characteristics have a positive and statistically significant impact on the intention to use the Livin' by Mandiri application. Sales promotion has a positive and significant effect on intention to use the Livin' by Mandiri application, and both service features and sales promotion have a positive and significant effect.

Keywords: service features, sales promotion, intention to use, *mobile banking,* application

1. Introduction

In this era, digital development is expanding swiftly. The economy is undergoing a transition from analog to digital. Numerous transactions employ electronic devices and are enabled by internet developments. Mobile commerce was created as an innovation of the internet and wireless electronic devices as a result of their tremendous growth.

The components of mobile commerce are mobile purchasing, mobile payment, and mobile banking (BigCommerce, 2021) [1]. Service From 2015 to 2021, mobile banking in Indonesia experienced accelerated growth. The transaction volume per 1000 residents has increased by 106% [2]. It is anticipated that the number of mobile banking consumers

in Indonesia will increase with greater frequency. The opportunity encourages mobile financial competition in Indonesia.

In the 2021 Top Brand Award survey, m-BCA, BRI Mobile, and m-banking Mandiri hold the top three positions in the mobile banking category [3]. m-BCA holds the top spot on the Top Brand Index with a score of 47.4%. BRI Mobile occupied the second position with 19.4%. The third position is held by m-banking Mandiri, with a 12.9% market share. m-banking Mandiri and m-BCA have a 34.5% difference in Top Brand Index value. In addition, the Top Brand Index M-Banking Independent has decreased in value over the past four years. This indicates that Mandiri's brand awareness, recent usage, and intention to resume banking have decreased relative to its competitors.

According to Bank Mandiri's 2021 annual report, the Financial Super App Livin' by Mandiri will be launched in the fourth quarter of 2021 for retail customers. As of December 31, 2021, the Livin' by Mandiri application had been downloaded 1.5 million times. The number of transactions increased from the previous quarter to 486 trillion IDR, or 397 million transactions. After the launch of the Livin' By Mandira application in 2021, Bank Mandira will achieve its greatest financial performance under this scenario in 2021. The market share value of Bank Mandiri increased to 17.26% of all national commercial banks, or IDR 7,479.26 trillion. In addition, efficiency was achieved through the closure of 92 branch offices. However, as of December 31, 2021, only 69.4% of the 9.77 million registered consumers are active users of this application. This quantity is still far behind m-BCA and BRI Mobile, its competitors. Bank Mandiri must encourage client intent to utilize Livin' by Mandira to increase market share and cost effectiveness [4].

Intention to use the application can be measured by the extent to which an individual intends to use the application to attain the intended purpose [5]. Mobile banking application usage intent can be influenced by numerous factors, including service features. The most significant factor in the success of an electronic bank is its service features [6]. Service features have a substantial and positive impact on mobile banking usage [7]. In addition, the research findings of Khusniyah (2020) regarding the comprehensiveness of service features have a positive and statistically significant impact on customer intent to use mobile banking [8]. The availability of multiple service features has a positive impact on customers' intent to use mobile banking. However, Bhakti's research (2022) discovered that service features had no significant effect on mobile banking usage intent [9].

Sales promotions are another factor that influences utilization intentions [10]. Promotion can motivate the use or acquisition of a product. Sales promotions in the form of coupons, contests, discounts, cashback, and prizes can encourage the use of mobile banking applications [11]. This is supported by the research of Santini et al. (2020): sales promotion can substantially and positively increase mobile banking usage intent [12]. Endriyanto and Indrarini (2022) discovered that promotions with promotion indicators had a significant and positive impact on e-wallet usage intent [13]. Moreover, research by Mawardani and Dwijayanti (2021) indicates that sales promotions have a positive effect on the intention to use digital wallets [14]. Digital wallets are included in this category of mobile commerce, specifically the category of digital payments, allowing them to interact with mobile banking. The research of Nurrohyani and Sihaloho (2020) revealed, however, that sales promotions have a negative effect on the intent to use digital wallets [15]. The researcher is interested in conducting research with the title "The Influence of Service

Features and Sales Promotions on Intention to Use the Livin' by Mandiri Application" based on the phenomena described above and previous research.

2. Literature

2.1. Service Features

Features are a product's or service's characteristics that can develop its fundamental functions [16]. Features entice consumers to use products or services and serve as a point of differentiation from competitors. Service characteristics are essential components offered to consumers by services.

2.2 Sales Promotion

Sales promotion is a form of short-term promotion that encourages people to test a product or service and develop an interest in it [11]. The manifestation of a sales promotion can take the form of discounts, coupons, cashback, and other incentives. The purpose of sales promotion is to increase consumer loyalty by attracting new customers [17].

2.3 Intention to Use

Intention is a strong inclination toward something; enthusiasm; desire (KBBI, 2023). Intention results from one's focus and engagement with something. It is possible to predict a person's behavior based on their intention to use [18]. The following is a diagram of intention formation [19]:

Attention	→	Engagement	→	Intention
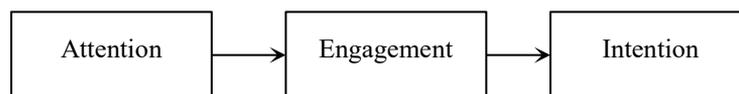
Figure 1. The Process of Forming Intention (Widodo, 2007)

2.4 Hypothesis

Hypotheses are temporary assumptions regarding the problem formulation's answers. The hypotheses were investigated further through data-driven studies. Following is the writer's formulation of the hypothesis.

1. H1: Service features have a significant impact on the intention to use the Livin' by Mandiri application.

2. H2: Sales promotions have a significant impact on the intention to use the Livin' by Mandiri application.

3. H3: Service characteristics and sales promotions have a significant impact on the intention to use the Livin' by Mandiri application concurrently.

The following is a research framework according to the hypothesis formulated above.
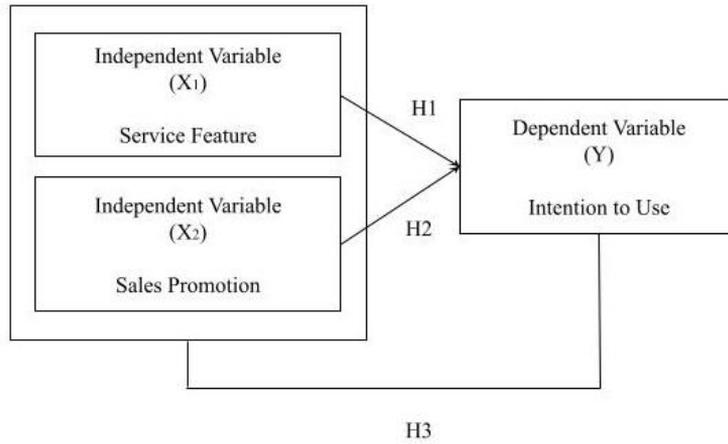
Figure 2. Hypothesis and Research Framework (Source: Author, 2022)

3. Methods

The authors use a quantitative approach to determine whether service features and sales promotions have a significant effect on the intention to use the Livin' by Mandiri application. The quantitative method employed is explicative. Explanatory research that explains the causal relationship between the independent and dependent variables and tests hypotheses

This survey-based study employs correlation and regression analysis. This study employs service characteristics as the independent variable (X1), sales promotion as the independent variable (X2), and intention to use the service as the dependent variable (Y). Each variable's research indicators are described in the table below.

In looking for whether there is an influence of service features and sales promotions that have a significant effect on intention in using the Livin' by Mandiri application, the authors use a quantitative approach. The quantitative approach used is explanatory. Explanatory research to explain the causality between the independent variable and the dependent variable and to test hypotheses.

This study uses a survey method through correlation and regression analysis. This study uses service features as the independent variable (X1), sales promotion as the independent variable (X2), and intention to use it as the dependent variable (Y). The research indicators for each variable are explained in the table below.

Table 1. Operational Research Variables

Variable	Indicator	Explanation
Independent Variable (X1) Service Features [20]	1. Completeness of Features	The features offered are complete and varied
	2. Feature Requirements	Existing features according to needs and make it easier

Variable	Indicator	Explanation
	3. Feature intentions	Unique and advanced features
	4. Ease of Use	Easy-to-use feature
Independent Variable (X_2) Sales promotion [21]	1. Sales Promotion Frequency	Sales promotions are often carried out
	2. Sales Promotion Quality	What is the quality of the sales promotion carried out
	3. Sales Promotion Quantity	The value of the sales promotion carried out
	4. Sales Promotion Time	Duration and the date or time the sales promotion was made
Bound Variable (Y) Usage intentions [22]	1. Transactional intentions	Desire to use the product
	2. Referential intentions	Desire to refer a product
	3. Preferential intention	Desire to make the product the preferred choice
	4. Explorative intentions	Curiosity about the product

A Google Form was used to distribute questionnaires for data collection in this survey-based study. The questionnaire employs a Likert scale to ascertain respondents' attitudes toward a given statement. The range of the Likert scale is between 1 and 5. Number 1 indicates "strongly disagree, while number 5 indicates "strongly agree." Population and sample data are utilized to determine respondents. In this research, the population utilized the Livin' by Mandiri application. The research sample was selected using the method of purposive sampling with the criterion of residence in Jabodetabek. Using the Lemeshow method, the number of samples was determined. There were a total of 100 participants in this study.

This investigation makes use of statistical inference. This analysis is applied to sample data, whose results are generalized to the population based on where the sample was collected [23]. Multiple regression test procedures utilizing the method of ordinary least squares (OLS) are utilized in the research analysis. Presentation of data using a linear equation with one dependent variable, described as intention to use, and multiple independent variables, service features and sales promotion, as explanatory variables.

4. Research result

4.1. Classic assumption test

4.1.1. Normality test

In this analysis, the Kolmogorov-Smirnov method was utilized to test for normality. Using a significance level of 0.05, the data is deemed normally distributed. Below is a table displaying the significance value derived at 0.065. This significance value is greater than 0.05. The data in this investigation has a normal distribution.

Table 2. Normality Test Results

One-Sample Kolmogorov-Smirnov Test	
	Unstandardized Residual
Asymp. Sig. (2-tailed)	.065

Source: Primary data processed in 2023

4.1.2. Multicollinearity Test

The purpose of the multicollinearity test is to determine whether all variables can be measured concurrently. Data devoid of multicollinearity have a value tolerance greater than 0.1 and a VIF value less than 10. The results for multicollinearity indicate a tolerance value of 0.919%. Label tolerances greater than 0.1. In addition, the VIF value is 1.089, which is less than 10. The research data do not exhibit multicollinearity symptoms.

Table 3. Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	VIF
Service Features	.919	1.089
Sales promotion	.919	1.089

Source: Primary data processed in 2023

4.1.3. Heteroscedasticity Test

To determine whether or not the research data exhibited heteroscedasticity, the researchers employed the Glejser test. A significance value greater than 0.05 indicates that heteroscedasticity is not present in the data. The significance value of the service feature variable is 0.222, while that of the promotion variable is 0.093, as shown in the table below. This value is greater than 0.05, and there are no signs of heteroscedasticity in the data.

Table 4. Heteroscedasticity Test Results (Glejser Test)

Variable	Say.
Service Features	.222
Sales promotion	.093

Source: Primary data processed in 2023

4.2. Multiple Regression Linear Analysis

In the multiple regression test, based on table 4 below, the linear equation is obtained as follows.

$$Y=-0{,}269+0{,}411X_1+0{,}107X_2+e$$

Information:

1. $\alpha = -0.269$, the alpha or constant value is -0.269 indicating that if the independent variable (service features and sales promotion) is 0 (zero), intention in use is -0.269 units.

2. $\beta 1 = 0.411$, if variable X_1 (service features) will increase by one unit or by 1%, the value of variable Y (intention in use) will increase by 0.411 units (positive effect).

3. $\beta 2 = 0.107$, if variable X_2 (sales promotion) has increased by one unit or by 1%, the value of variable Y (intention in use) will increase by 0.107 units (positive effect).

4. $e = error$, in an equation there may still be an error factor.

Table 4. Results of Multiple Linear Analysis

Variable	Unstandardized Coefficients B
(Constant)	-.269
Service Features	.411
Sales promotion	.107

Source: Primary data processed in 2023

4.3. Hypothesis testing

4.3.1. Partial Test (T Test)

The purpose of the t-test is to demonstrate that one independent variable (X) has a significant partial effect on the dependent variable (Y). A significance value less than 0.5 indicates that the independent variable (X) has a statistically significant impact on the dependent variable (Y). According to the research data, the service feature variable (X1) has a significant value of 0.00, and the sales promotion variable (X2) has a value of 0.023. In addition, the calculated T value for service feature variables and sales promotion variables is greater than the T table, indicating that each variable has a significant impact on intention to use partially.

Table 5. Partial Test Results (T Test)

Variable	T count	T table	Say.
Service Features	4.783	.430	.000
Sales promotion	2.309	.208	.023

Source: Primary data processed in 2023

4.3.2 Simultaneous Test (F Test)

The objective of the F test is to demonstrate that the independent variable (X) has a significant effect on the dependent variable (Y). A significance value less than 0.5 indicates that the independent variable (X) has a statistically significant impact on the dependent variable (Y). The investigation data reveals a significance level of zero. In

addition, the calculated F value is greater than the F table, indicating that service features and sales promotions have a significant impact on the intention to use them concurrently or together.

Table 6. Simultaneous Test Results (Test F)

Model	F count	F table	Say.
Regression	18.788	3.09	.000

Source: Primary data processed in 2023

4.3.3 Determination Coefficient Test (R^2)

Determine the coefficient of determination to obtain an R2 value of 0.279%. This indicates that service features and sales promotions can explain 27.9% of the intention to use the Livin' by Mandiri application. Variables that were not considered in this study account for the remaining 72.1%.

Table 7. Determinant Coefficient Test Results R^2

Model	R Square
Regression	.279

Source: Primary data processed in 2023

5. Discussion

5.1. Effect of Service Features on Intention to Use the Living by Mandiri App

Based on the results of data processing through partial experiments, the significance value for the service feature is between 0.00 and 0.05. The calculated T value of 4,783 is greater than the T table value of 0.430 in the T-test. It has been demonstrated that service features have a substantial impact on the intention to use the Livin' by Mandiri application. Referring to the hypothesis (H1), which states that service features have a significant influence on the intention to partially use Livin' by Mandiri, this hypothesis can therefore be accepted. Moreover, according to the results of the multiple linear regression test, service characteristics have a positive influence on the intention to use the Livin' by Mandiri application. The intention to use Livin' by Mandiri increases with the quality of the service's features. This study's findings are consistent with previous research, specifically Mukarromah's research (2021), which indicates that service features have a significant impact on people's intentions to use digital payments [24].

5.2. Effect of Sales Promotion on Intention to Use the Livin' by Mandiri App

Based on the results of data processing through a partial test, the significance value for the sales promotion is between 0.023 and 0.05. The calculated T value of 2,309 is greater than the T table of 0.208 in the T-test. It has been demonstrated that sales promotions have a substantial impact on the intention to use the Livin' by Mandiri application. Referring to hypothesis (H2), sales promotion has a significant impact on the intention to partially use Livin' by Mandiri, so this hypothesis can be accepted. Moreover, multiple linear regression tests indicate that sales promotions have a positive effect on the intention to use the Livin' by Mandiri application. The same conclusion was reached by Kusumastuti's (2020) research, which found that sales promotions had a significant impact on the intention to use Grabbike's online transportation services [25].

5.3. Effect of Service Features and Sales Promotion on Intention in Use the Livin' by Mandiri App

The significance value of the simultaneous test is 0.00, which is less than 0.05. The calculated F value of 18,788 is greater than the F table of 3.09 in the F test. It has been demonstrated that service characteristics and sales promotions have a substantial impact on the intention to use the Livin' by Mandiri application. On the basis of the coefficient of determination (R2), service and sales promotion characteristics were able to explain 27.9% of the intention to use the Livin' by Mandiri application. Referring to the hypothesis (H3) that service features and sales promotions have a significant effect on the intention to use the Livin' by Mandiri application concurrently, this hypothesis can be accepted. According to previous research, service characteristics and sales promotions have a significant impact on Shopee consumers' intention to purchase [26].

6. Conclusions and Recommendations

This research conducted in Jabodetabek seeks to determine whether service features and sales promotions have a significant effect on the intention to use the Livin' by Mandiri application. Based on the findings of the T test, the first independent variable was determined to be the service features' influence on the intention to use the Livin' by Mandiri application. The results of the multiple linear regression test indicate that service characteristics have a positive effect on the intention to use Livin' by Mandiri. In addition, the second independent variable, namely sales promotion, can also substantially and positively influence the intention to use the Livin' by Mandiri application, as determined by the T test and multiple linear regression. On the basis of the results of the F test, which examined the effect of two or more independent variables on the dependent variable, it was determined that service features and sales promotions had a significant influence on the intention to use the Livin' by Mandiri application.

Based on the results of the previous analysis, the authors recommend that companies continue to innovate on the Livin' by Mandiri application's service features in order to make them more complex and responsive to the needs of the community. Innovation can be achieved by emphasizing the comprehensiveness and intent of service features and the usability of the Livin' by Mandiri application. In addition, the quantity and quality of sales promotions on the Livin' by Mandiri application can be enhanced. It is possible to enhance the amount and duration of a given sales promotion. In order to increase the number of consumers of the Livin' by Mandiri application, businesses can also employ word-of-mouth strategies. Considering the high referential intent revealed by this study's findings, this strategy can be implemented. In addition, businesses can increase public interest in the Livin' by Mandiri application by increasing advertisements, publications, and endorsements.

The authors then recommend that future researchers conduct research beyond the variables in this study. Researchers can add variables such as trust, security, social influence, habit, price-saving orientation, and other variables that may influence the intention to use Livin' by Mandiri or other mobile banking applications. Additionally, additional research can be conducted into the factors that can influence referential intention when using the Livin' by Mandiri application. Additionally, mobile banking applications and others can be added to the research topic as a comparative study.

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