

ABSTRACT

Mobile banking (m-banking), a smartphone-based digital application, is a form of digital banking transformation in an effort to strengthen the company's competitiveness in providing convenience and high-quality services to its customers. M-banking users in the city of Bandung were chosen as objects in this study, because Bandung as the capital of the province of West Java, which is the province with the largest population and internet users in Indonesia, as well as Bandung as one of the central cities of technological activity in Indonesia.

The success of m-banking depends on customer's motivation to adopt m-banking. So, the purpose of this study is to determine the factors that influence adoption of m-banking in Bandung. Also to see the effect of the trust variable which is not included in the UTAUT2 model, encouraging interest in using m-banking.

Data was collected by conducting questionnaire, distributed either directly or by online. Based on data collection, the data was obtained by cross sectional and collected 189 respondents of m-banking users. The analytical technique used in this research is PLS-SEM and in order to test the model, WarpPLS 7.0 software is used.

The conceptual model that is used of this research is the Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) which is combined with trust variable. The results of this study indicate that the behavioral intention of m-banking users in Bandung is positively and significantly influenced by performance expectations, hedonic motivation, and trust. Trust is found to be the strongest predictor of behavioral intentions. Effort expectancy and social influence were found to be the weak predictors in influencing behavioral intentions. Adoption of m-banking is directly influenced by facilitating conditions and behavioral intention.

The findings in this study are expected to provide an overview and help predict the factors that influence m-banking adoption in Bandung. The results show that trust plays the most important role in shaping the customer's behavioral intention to adopt m-banking. Therefore, banks must be able to convince customers that accessing financial services and transacting through m-banking is a safe and efficient way. Further research is also expected to be able to validate and retest this model to explain customer intentions and behavior towards other technologies, especially other digital banking services.

Keywords: *m-banking, UTAUT2, trust, adoption, PLS-SEM, WarpPLS 7.0*