

## **ABSTRACT**

*The use of various technologies in the field of financial services has brought major changes to the banking industry. Changes in people's consumption behavior towards digital have encouraged banks to accelerate the transformation process to digital banking. Makassar City is the capital city of South Sulawesi province, with a digital literacy rate in South Sulawesi of 49.59%. Sulawesi Island has an internet access distribution of 5.53 percent in Indonesia. Makassar City internet signal speed is the city that has the fastest internet signal, with an average download of*

*25.30 Mbps and an average upload of 11.67 Mbps. However, based on data taken from Nperf there are several points that still have 3G network status and several points in Makassar City still do not have a good internet network.*

*This study aims to analyze the digital divide's effect on mobile banking use in Makassar City. In this study, there are four stages in adopting digital technology (mobile banking), namely Motivation, Physical & Material Access, mobile banking skills, and usage. The four stages will become construct variables that are strengthened or weakened by moderator variables in the form of Gender, age, Education, and Location.*

*The method used in this research is a quantitative method to examine certain populations or samples (Sugiyono, 2021). The analysis technique used is SEM-PLS in the structural model to see the relationship between latent variables (Ghozali., 2014). This study uses WarpPLS 7.0 software for data processing. A sample of 300 respondents who are mobile banking users.*

*The results of the research that was carried out in Makassar City using the SEM-PLS method with a sample of 300 and data processing was carried out using WarpPLS 7.0 software, that the stages in the Digital Divide consist of four latent variables, namely Motivation, Physical and material access, Mobile banking skills, and Usage has a positive and significant effect on each other.*

*With the dynamic development of technology, the Digital Divide theory will continue to develop comprehensively. When the theory has developed, the use of CB-SEM is considered more appropriate because it is testing and confirming a theory, not just predicting.*

**Keywords:** *Digital Divide, Usage, Mobile Banking, SEM-PLS*