

CHAPTER I

INTRODUCTION

1.1 Research Overview

1.1.1 Company Profile



Figure 1. 1 Bibit Logo

Source: Bibit.id

PT. Bibit Tumbuh Bersama or Bibit is a financial technology company that provide a mutual fund buying and selling platform for purchasing and selling mutual fund investment products online from a variety of asset management firms. Mutual funds are an investment package managed by professional investment managers who are experienced in the capital market. This package will be filled with several types of investments such as shares,

bonds or money markets. Over time, if the price of the mutual fund you buy rises, then you can profit from this price increase when you sell it.

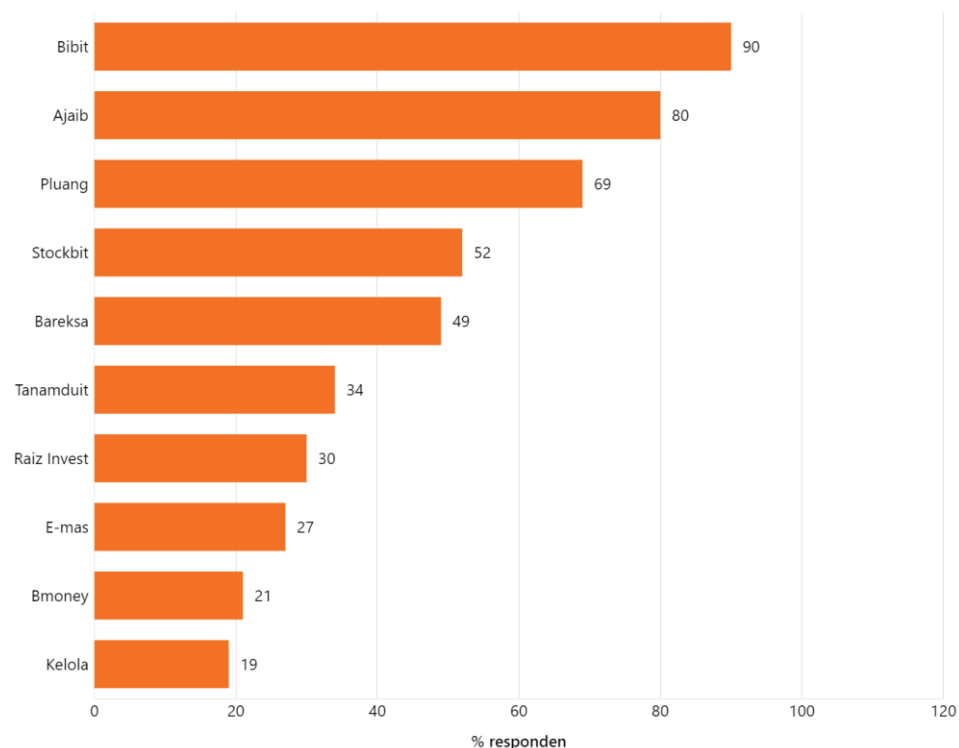


Figure 1.2 Popular Investment Startup

Source:Dailysocial.id (2022)

Based on survey DailySocial, Bibit become investment startup most popular in Indonesia, 90% of respondent known this application (DailySocial.id, 2022). Bibit, as a marketplace, got an OJK mutual fund sales agent license at the end of 2018. And is managed by Juvenco Pelupessy, William Anwar, Hendy Djuarto, and Harry Dinata. Founded in 2013 Bibit is a part of stockbit investment, Bibit was first known as Bibitnomic, an investing savings platform that Stockbit bought in October 2018. The platform's launch under the name Bibit occurred in January 2019, the headquarter is in Menara Standard Chartered Lantai 35 Jalan Prof. Dr. Satrio No.

164 Jakarta Selatan 12930. Bibit registered with the OJK and received a mutual fund sales agent license at the end of 2018. In actuality, it had been registered with the OJK as of October 6, 2017, under the SK number KEP-14/PM.21/2017. Public awareness in investing has increased in recent times. Mutual funds are one of the investment instrument that attract the heart of investor from year to year. Data from PT Kustodian Sentral Efek Indonesia (KSEI) shows that the number of Bibit mutual fund investors reached 4.828.082 on September 2023.

There are indeed strong reasons that make the public choose mutual funds as an investment choice. The first reason is security and convenience. Security in investment is something that is important amidst the rise of fraudulent investments. With the mutual fund investment, money that deposit will be safe in a custodian bank. The mutual fund itself is regulated in law (UU) no.8 of 1996 concerning Capital Markets (UUPM), article 1 number 27. Apart from being safe, mutual funds are a comfortable investment. The reason is, there is a Bibit Technology that uses Nobel Prize winning research, Modern Portfolio Theory , to adjust your investment to mutual funds that match your risk profile, according to your age, risk tolerance and financial situation and also experienced Investment Manager (MI). So we don't need to bother monitoring the economic situation to maintain or increase the value of mutual funds. With this convenience, Mutual funds are suitable for beginner investors because there are investment managers who manage your money professionally.

Rekomendasi Robo Kamu

Langsung beli 3 reksa dana sesuai dengan profil resikomu

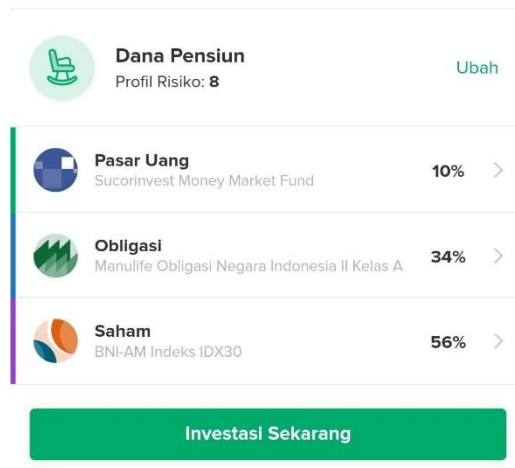


Figure 1.3 Robo Advisor

Source: Bibit.id

Another thing that makes mutual funds quite attractive is the variety of benefits and minimal risk. For example, if you want to make big profits, you can take stock mutual funds. However, keep in mind that shares have high risks. If you don't want to play with risks, you can choose money market mutual funds or fixed income mutual funds. Here is how its work, when you buy mutual funds, you will profit when the mutual fund price rises. For example, you buy mutual fund A for IDR 100.000,- Then 1 year later, you sell your mutual fund after the price of mutual fund A rises and your investment becomes IDR 110,000,- This means you make a profit of IDR 10.000,-. The price of the mutual fund is updated once every working day and you can monitor it from the Bibit application on your cellphone at any time. (Bibit,id 2022).

1.1.2 Purpose of The Company

According Prosus (2022) Stockbit is leading stock investing app for Millennials in Indonesia. The Company has evolved into a full-fledged brokerage platform for investors to trade stocks, share investing ideas, and information in real-time. In 2019, Stockbit launched Bibit, a robo-advisory investment app that allows users to build a personalised portfolio. Product need and fit at the right time, the company offers a 100% online KYC (Know Your Customer) and account opening process, superior user experience, transparent fee structure and tailored investing tools. Bibit is building innovative products and services to democratise investing in the country's capital market, as well as enabling its users to invest in diversified asset classes. Bibit has enabled millions of investor, mostly Millennials and first time investor in 500 cities across the Indonesia to build investment portfolio based on their risk profiles and investment goals in a safe place. So here is the purpose of Bibit company: Vision: Helping beginner investors to start investing without the need for experience. With Robo Advisor technology, Bibit helps choose mutual fund products that best suit the user's risk profile so that users can invest in mutual funds easily and optimally.

Mission:

1. Customer Obsession

Put yourself in the customer's shoes to provide them with the right solution and provide the best experience

2. Take Ownership

Take the initiative and commit to achieving success.

3. Team Collaborations

Taking action together as a team to achieve a collective and larger goal

4. Continuous Improvements

Bibit believes there is always room for improvement because Bibit is constantly looking for feedback to improve.

5. Creativity & Innovation

Use creativity, encourage new perspectives, and take calculated risks to find solutions.

Here is some of the advantage based on Bibit claimed, personalised with a focus on exceptional content: The aim of Bibit is to help people achieve a secured financial future. Bibit makes it easier to create a portfolio tailored to each person's risk profile and investment goals. The company delivers continuous, high quality investment education content, which is important in a segment underpinned by high consumer trust and the need for consistent consumer touchpoints. This includes the launch of Stockbit Academy, which provides stock market education from experienced financial mentors for free, another advantages that could be learn from Bibit is that already seeing remarkable success since we first invested: Approximately 90% of Bibit's users are first time, millennial investors and the app offering is localised to cater to a wide segment of Indonesians. The company has built significant brand equity and is led by a capable founding team with deep industry expertise to drive the business forward. Among notable milestones, the company has most recently launched Stockbit Sekuritas, a full-fledged brokerage which is a member of the Indonesia Stock Exchange (IDX), as well as an e-IPO feature that allows users to participate in a 100% online IPO process, and was appointed by the Ministry of Finance Republic of Indonesia as a Distribution Partner to sell Government Securities (SBN) in early 2022. (Bibit.id)

1.1.3 Product Category Bibit

Table 1.1

No	Category	Type
1	Money Market	a. Avrist Ada Kas Mutiara b. Bahana Dana Likuid Kelas G c. Bahana Likuid Plus d. Batavia Dana Kas Maxima e. BNI-AM Dana Likuid
2	Obligation	a. ABF Indonesia Bond Index Fund b. Avrist Prime Bond Fund c. Bahana Dana Obligasi Ultima d. Batavia Obligasi Platinum Plus e. BNI-AM ITB Harmoni
3	Stock	a. Avrist IDX 30 b. Bahana Primavera 99 Kelas G c. Batavia Dana Saham d. Sucorinvest IDX 30 e. TRAM Infrastructure Plus
4	Mixed	a. Sucorinvest Premium Fund b. Sucorinvest Flexi Fund c. Jarvis Balanced Fund d. Schroder Dynamic Balanced Fund e. Simas Satu
5	Syariah	a. Sucorinvest Sharia Sukuk Fund b. Sucorinvest Sharia Money Market Fund c. Trimegah Kas Syariah

		d. BNP Paribas Pesona Syariah e. Batavia Dana Saham Syariah
6	USD	a. BNP Paribas Greater China Equity Syariah USD b. BNP Paribas Cakra Syariah USD Kelas RK1 c. Schroder Global Sharia Equity Fund USD d. Batavia Technology Sharia Equity USD e. Manulife USD Fixed Income Kelas A

Source : (Bibit.id) Processed by author

1.2 Research Background

In this modern era we are aware that technological development are always developing rapidly in all aspect within people lives driven by increasing internet penetration and young tech savvy population, While since pandemic covid-19 forced all people in Indonesia including Millennials to be able to manage their finance ability and survive the uncertainty, to manage finance and achieve financial goal, one of the step that can be taken are through investment, which one of it through mutual fund instrument, especially in FinTech (Financial Technology) in Indonesia among the investment platform players, Bibit a robo advisor technology that gives recommendation for diversification of mutual fund according to our personal risk profile so the distribution of investment could be easily set up by robo advisor Bibit use artificial intelligence to provide personalized investment advice making investing more accessible and user friendly for beginner investor.

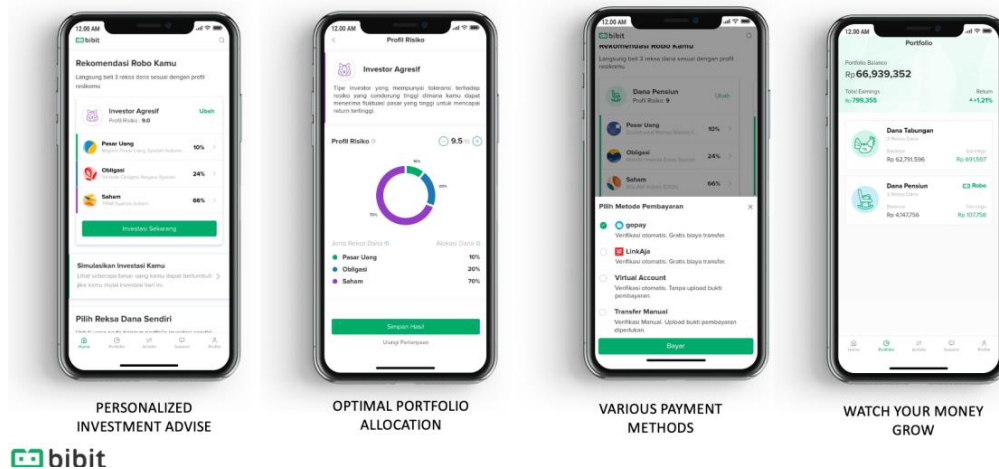


Figure 1.4 Robo Advisor Bibit

Source: Bibit.id

According to the Ministry of Communication and Information (Kominfo), fintech has enormous potential to drive the country's economic growth. This demonstrates that the fintech sector in Indonesia has a promising future, particularly Millennials and Generation Z, are becoming more technologically sophisticated as a result of rapid advancements.

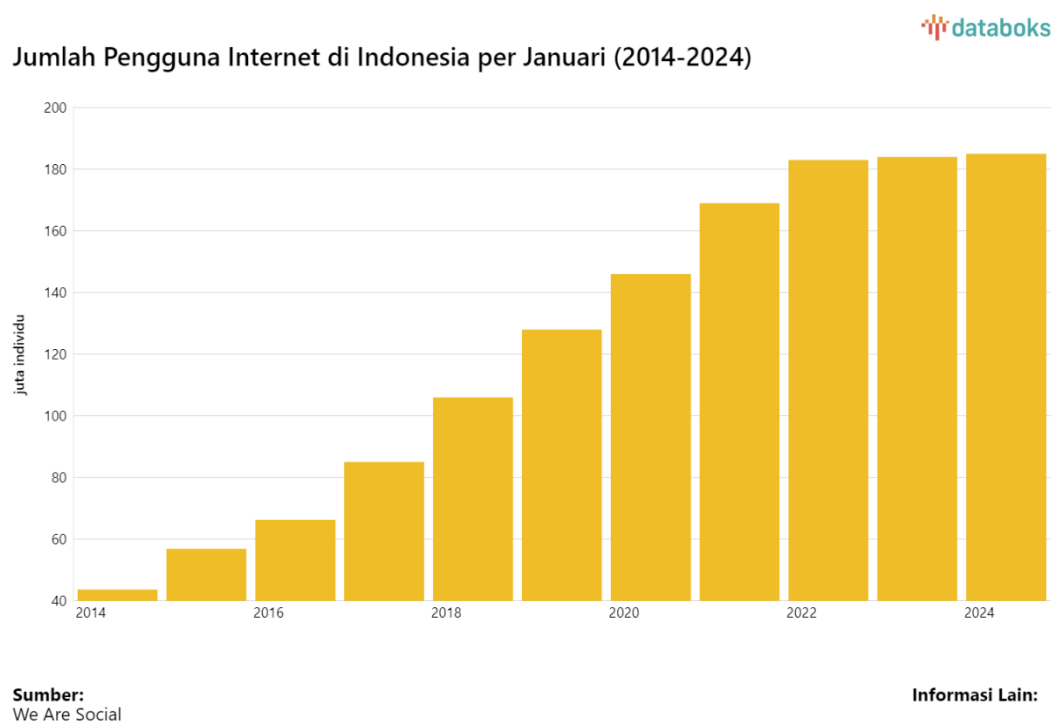


Figure 1.5 Internet User in Indonesia

Source: Katadata.id

According to the We Are Social report, in January 2024 there will be 185 million individual internet users in Indonesia, equivalent to 66.5% of the total national population of 278.7 million people. At the beginning of this year, internet users in Indonesia were recorded to have increased by around 1.5 million people or an increase of 0.8% compared to January 2023 (year on year). Meanwhile, the slowest growth was recorded in January 2023, which only rose 0.6% (yoy). Even so, there are still many Indonesians who are not connected to the internet. According to We Are Social, the number will reach 93.4 million residents as of early 2024, the 7th most globally. (Katadata.co.id, 2024).

In other hand according to the East Ventures Digital Competitiveness Index 2023 report, digital transactions climbed by 32%. This statistic is significantly better than in 2019. The emergence of fintech in Indonesia has made every transaction smoother and more straightforward. This is part of the process of moving financial transactions from offline to online. There are a wide range of fintech features available, including online banking, mobile banking, e-wallets, and QRIS. Despite its progress, financial literacy and inclusiveness remain obstacles. The OJK reported an 8.3-point disparity between financial literacy and inclusion. This demonstrates that the public is aware of the availability of fintech services. However, the majority of them require more further information or literacy to access it. Furthermore, the proliferation of illegitimate and unlicensed internet loan services remains common. The absence of financial literacy and inclusion raises the possibility of unlawful online lending. There are several factors to consider when it comes to the future of fintech in Indonesia. Both in terms of benefits, legal requirements, numbers, and obstacles.

Furthermore, the Indonesian Fintech Association was established in September 2015 as more individuals trusted fintech businesses. Of course, employing fintech in transactions, including shopping, is getting more convenient. To address regulatory issues, the Financial Services Authority enacted OJK Regulation Number 77 of 2016, which controls fintech services. The OJK modified these regulations in 2020. The new law states that Indonesian fintech companies must meet specific requirements in order to acquire an operating authorization. Meanwhile, Bank Indonesia has established three laws that serve as the legal framework for the implementation of fintech, as follows:

- a. Bank Indonesia Regulation number. 18/40/PBI/2016 regulating the implementation of payment transaction processing.
- b. Bank Indonesia Circular Letter No. 18/22/DKSP on the Implementation of Digital Financial Services
- c. Bank Indonesia Regulation No. 18/17/PBI/2016 Concerning Electronic Money

Further risk analysis is possible involving the use of software, hardware and data to do risk analysis, Fintech enables depressed groups in developing nations to access financial services that conventional banks provide. Fintech simplifies and reduces costs for payments, trade, remittances, and development, benefiting poor countries in particular. Fintech (Financial Technology) and systems other electronic transactions are examples of emerging payment innovations due to technological advances (Putri et al., 2021).

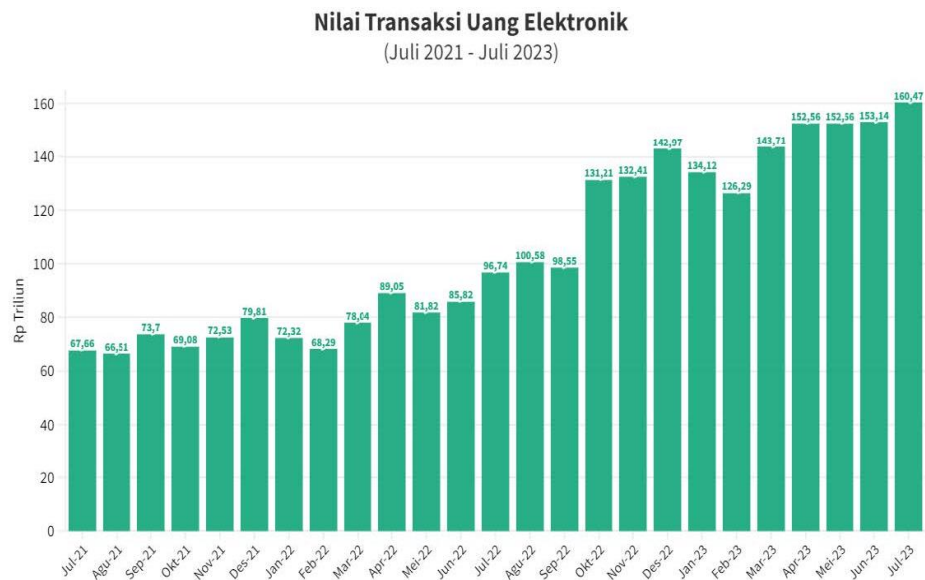


Figure 1.6 Electronic Money Transaction Value Chart

Source: Bank Indonesia

The use of internet in electronic transaction needs to take into the technology acceptance model (TAM), which states that satisfaction and convenience system use influences system use Pavlou (2003) in (MILA, 2022). Technology Acceptance Model (TAM) is a theory describing the perception of technology users (Davis, 1986). TAM is the most widely used model for identifying factors contributing to technology acceptance. The theory suggests that, when users are presented with a new piece of technology, several factors influence their decision about how and when they will use the technology (Ardiansah, Chariri, Rahardja, & Udin, 2020; Lindsay et al, 2011). The goal of TAM is to explain the determinants of general computer acceptance and be able to explain user behaviour across a broad range of end-user computing technologies and user populations (Rondan-Cataluña et al., 2015). With the concerns regarding data security and reliability of fintech platforms, some users are still hesitant to continue using it, fearing that such risks may occur negatively impacts user experience and discourages further use continued (Sienatra, 2020). In this research variable includes positive components (perceived benefits) and negative (perceived dangers) of consumer using mutual fund investment app Bibit, this research explore the situational influence on their decision to stay or stop using the service, In using digital mutual fund investment service application.

The COVID-19 pandemic has caused significant obstacles and changes for many people, particularly in Jakarta are struggling in order to survive and also experience difficulties in investing due to limited access and low investment literacy, with a focus on assisting people in increasing their investment literacy after the pandemic and developing effective and

safe investing methods, since the introduction of digital transactions and the use of investing platform, various factors have influenced interest in using financial investing platforms, including perceived ease of use, perceived usefulness, and perceived risk. Individuals consider usefulness and ease of use while establishing good attitudes towards intention to use the service. The internet and community conversations make it easier for people to learn about the benefits of products and technology that will be used.

In the current era, technology is expected to be time-saving and convenient. The benefits of internet transactions is certain to produce perceptions, both favourable and users experience a negative outcome. Many users believe that using a mutual fund investment platform will help them reach their goals, gain investment literacy, and achieved secured financial future. Perceived ease of use refers to a user's perception of a system as simple and effortless to use, the perceived risk can also affect the intention to use while security concern might be decrease customer desire to use the application, therefore service providers Bibit aim to provide convenience for their customers. And this thesis research will examine the effectiveness, superiority, trustworthiness, attractiveness, advantages and practice using one of the mutual fund investment companies with the variable that use the positive factors and negative factors, with Bibit as a provider the Analysis of the problem serves as the foundation for research into the factors influencing interest in using Bibit, a mutual fund investment platform in Jakarta. With the title “**THE INFLUENCE OF PERCEIVED EASE OF USE, PERCEIVED USEFULNESS, PERCEIVED RISK AND USER ATTITUDE ON INTENTION TO USE MUTUAL FUND INVESTMENT APPLICATION BIBIT IN JAKARTA**” with Focusing on the difficulty was previously explained. This study aims to provide

valuable insights for stakeholders in the Finance business industry. as well provide recommendations for future digital investment regulations, with a focus on context Finance Investment Platform.

1.3 Problem Statement

The perceived ease of use, perceived usefulness, and perceived risk all influence users' attitudes toward mutual fund investment applications on Bibit, which affects their intention to use the application. Specifically, when users find the application simple to use and useful for their investment needs, their attitudes toward the application improve. In contrast, if users perceive a high level of risk associated with using the application, their attitudes may shift negatively. These attitudes have a significant impact on users' intentions to continue using the Bibit app for mutual fund investments. This research is to define variables among the user attitude and the intention to use technology from user of Bibit application.

1.4 Research Question

Based on the background on this research, the question is formulated for this research are:

1. How much is the rate of Perceived Ease of Use, Perceived Usefulness, Perceived Risk and User Attitude of Bibit application based on respondent?
2. How much is the Intention to Use of respondent towards Bibit application?
3. Do Perceived Ease of Use, Perceived Usefulness, Perceived Risk and User attitude influence intention to use of respondent towards Bibit application?
4. Do Perceived Ease of Use, Perceived Usefulness, and Perceived

Risk influence User Attitude of Bibit application?

5. Do Perceived Ease of Use influence Intention to Use towards Bibit application through User Attitude?
6. Do Perceived Usefulness influence Intention to Use towards Bibit application through User Attitude?
7. Do Perceived Risk influence Intention to Use towards Bibit application through User Attitude?

1.5 Research Objectives

Based on the formulated problems, the objectives of this research are:

1. To determine the rate of Perceived Ease of Use, Perceived Usefulness, Perceived Risk, and User Attitude of the Bibit application based on respondents' feedback.
2. To assess the level of Intention to Use the Bibit application among respondents.
3. To examine the influence of Perceived Ease of Use, Perceived Usefulness, Perceived Risk, and User Attitude on respondents Intention to Use the Bibit application.
4. To examine the impact of Perceived Ease of Use, Perceived Usefulness, and Perceived Risk on the User Attitude towards the Bibit application.
5. To analyze whether Perceived Ease of Use influences the Intention to Use the Bibit application through User Attitude.
6. To analyze whether Perceived Usefulness influences the Intention to Use the Bibit application through User Attitude.
7. To analyze whether Perceived Risk influences the Intention to Use the Bibit application through User Attitude.

1.6 Research Benefits

The author is expecting gain several benefits from this research, which are:

1.6.1 Theoretical aspect

The outcomes of this research are anticipated to enhance the existing knowledge of marketing segment, concerning the Fintech in investment, perceived ease of use, perceived usefulness, perceived risk, user attitude and intention to use on Bibit company, furthermore certain discoveries from this research could be serve as valuable resources for future researcher in similar research within same subject area.

1.6.2 Practical aspect

This research is expected to be an input and information for companies especially in fintech industry to consider about perceived ease of use, perceived usefulness, perceived risk and user attitude through the mutual fund investment platform Bibit which makes users feel the benefit provided from the company easily.

1.7 Scope of Research

1.7.1 Location and Object of study

The research will be conduct in Jakarta. The object use in this study is user of Bibit application in Jakarta, Indonesia in the age range 21-43 years this is the most user that use Bibit application.

1.7.2 Time and Period

This Research period starts from June 2024 to August 2024

1.8 Systematically Writing

Contains systematics and a brief explanation of research reports consisting of Chapters I to V in research reports.

CHAPTER I : INTRODUCTION

This chapter explain the background of this research. Some of the topics mentioned in this chapter are as follows: Company Profile, Research Background, Problem Formulation, Research Questions, Research Objectives, Research Benefits, Research Scope and Systematics of Final Project Writing

CHAPTER II : LITERATURE REVIEW

In this chapter will explain about the theory that use in this research of each variable and contain research theory, past research, research framework, and research hypothesis.

CHAPTER III : RESEARCH METHOD

In this chapter there will be explanation about method that use in this research to collect and analyse to findings the answer for the research. It contains Operationalization of variable and measurement, scale, research stage, population and sampling, data collection method, validity and reliability and last data analysis technique.

CHAPTER IV : RESULT AND DISCUSSION

This chapter contain of answer of this research and discussion or analysis of research result.

CHAPTER V : CONCLUSIONS AND SUGGESTION

The conclusion is the answer to the research question, then becomes a suggestion related to the benefits of the research.