

THE ROLE OF LIFESTYLE IN MEDIATING THE INFLUENCE OF DIGITAL TRANSACTION SERVICE INNOVATION ON GO-PAY SERVICE USER DECISIONS

Ade Perdana Siregar ¹⁾, Wahyu Juari Setiawan ²⁾

^{1,2)} Universitas Jambi, Jambi, Indonesia

Corresponding author: ade.perdana@unja.ac.id

Abstract

The development of very advanced technology, leads to changes in the lifestyle of every human being, including the marketing and financial fields have developed towards a more efficient and modern direction. The purpose of this study is to identify the influence of digital transaction service innovation on service user decisions, identify the influence of digital transaction service innovation on lifestyle, identify the influence of lifestyle on service user decisions and identify the role of lifestyle in mediating the influence of digital transaction service innovation on Go-Pay service user decisions. The independent variable used is innovation with indicators of relative advantage, compatibility, complexity, divisibility and communicability. The mediating variable is lifestyle with indicators of activities, interest and opinion while the dependent variable is the decision of the service user. This study was conducted on Go-Pay service users in Jambi City and data obtained through the distribution of questionnaires. The data analysis method used is Structural Equation Modeling (SEM) measurement using SmartPLS software. To see the role of lifestyle in mediating the influence of digital transaction service innovation on Go-Pay service user decisions

Keywords: Innovation, Lifestyle, Service User Decisions

Introduction

The world is now experiencing quite rapid technological developments. The development of information and communication technology has caused changes in the social, economic, and cultural fields that are taking place rapidly. This development is one of the consequences of human desire to fulfill their needs. Humans use their minds and innovations to find solutions to their needs which are increasing day by day. The more needs are owned, the more human innovations will emerge to find the fulfillment of their needs. Technology is developing increasingly rapidly bringing several changes in various aspects of life.

Technology will continue to develop following globalization, the many technological developments such as the internet and gadgets will make it easier for people to meet all their needs in this era of globalization. People's lifestyles with technological developments are starting to shift towards digital. Lifestyle according to (Kotler, 2002) describes "the whole person" in interacting with their environment. Lifestyle describes the entire pattern of a person in acting and interacting in the world. In general, it can be interpreted as a lifestyle that is recognized by how people spend their time (activities), what is important for people to consider in the environment (interests), and what people think about themselves and the world around them (opinions).

With the development of very advanced technology, leading to changes in the lifestyle of every human being, including the financial sector also has a development towards more efficient and modern. In the field of the world economy today it is very important to provide technological innovation in it. Technology and finance have a related relationship. Currently there is a technology that leads to financial innovation with a touch of modern technology in the service sector called Financial Technology.

According to Bank Indonesia Regulation No.18/40/PBI/2016 concerning the Implementation of Payment Transaction Processing, considering that the development of technology and information systems continues to produce various innovations, especially those related to Financial Technology (FinTech) in order to meet the needs of the community including in the field of payment system services, both in terms of instruments, organizers, mechanisms, and infrastructure for organizing payment transaction processing. FinTech will present a more practical, safe and modern financial transaction process.

In Indonesia, there are companies that offer electronic wallet services, but the service providers are local companies. In Indonesia, one of the companies that offers electronic wallets is Go-Pay. Go-Pay itself is one of the services offered by its parent company, Go-Jek. Go-jek started its business from a motorbike taxi transportation service which then expanded its business network by offering various services. Of the various services offered, Go-Pay is one of them. Other services offered are Go-Shopping, Go-Salon, Go-Massage, Go-Box and others.

Currently, loyal Go-Jek customers can make payment transactions through digital money in addition to using cash payment methods. In 2017, Go-Jek wants to focus on the Go-Pay service and the additional Go-Points program, where customers will get points from the swipe game token game obtained from each transaction through Go-Pay. The Go-Points service offers many promotions from various entertainment services, e-commerce, beauty, hobbies, holidays, to daily needs. (kumparan.com, 2017) Go-Pay collaborates with several leading banks in Indonesia including Bank Mandiri, Bank BNI 46, Bank Central Asia and

several other banks that have technology support. So far, the services offered by Go-Jek have been widely reported in the media as having great success. In fact, because of its success, the Go-Jek service has been accused of damaging healthy competition in taxi transportation services. Based on this success, the Go-Pay service is trying to follow suit by relying on the big name of its parent company. The big name of the Go-Jek company influences the level of recognition of the services offered by the company. In other words, Go-Jek's big name contributes to the familiarity of the services offered by the company.

The development of digital transaction services, users have a very important role and become an important factor in the use of digital transactions. Thus it is necessary to be able to see, in making decisions using digital transaction services, lifestyles that take into account the environment (interests) and what is thought about oneself and the world around (opinions) have a role in using digital transactions on Go-Pay services.

Literature Review

Marketing Mix

Marketing mix is a set of marketing tools used by a company to continuously achieve its marketing objectives in the target market" (Kotler, 2005:17). Mc Carthy (Kotler, 2005:17) classifies marketing mix tools into four broad groups called the four Ps of marketing: product, price, place, and promotion. Marketing mix decisions must be taken to influence trade channels and end consumers.

The marketing mix strategy implemented by a company can determine the continuity of its business. One element of the marketing mix is the product. Keegan (2002) "Product can be defined in terms of its tangible, physical attributes such as weight, dimensions, and material". By using the right strategy, the company will find it easier to attract consumers to use the company's products. One strategy used by the company is to launch new products that are always innovative. The dynamics of the business environment have an impact on changes in customer tastes and preferences. This change in turn demands innovation and creativity from each organization to be able to perfect existing products and develop new products in order to maintain the company's survival and profitability (Fandy Tjiptono, et.al 2008:395).

Innovation

Innovation is the driver of competition to grow, generate profit and create lasting value. Although innovation can easily be included in the context of product or technology development, innovation is a fundamental challenge for the entire business. Innovation can be a word of mouth, and then suddenly forgotten in difficult times. Innovation must be a process that is always there and ongoing (Peter Fisk 2006:193). Meanwhile, according to Fandy Tjiptono, et.al (2008: 438) stated that innovation can be interpreted as the practical implementation of an idea into a new product or process. Innovation can come from individuals, companies, university research, government laboratories and incubators, or private non-profit organizations.

Kotler and Armstrong (2007:233) argue that five characteristics are very important in influencing the level of innovation adoption, including the following: 1) relative advantage is the level that shows the superiority of innovation over existing products; 2) compatibility is the level of conformity of innovation with the values and experiences of potential consumers; 3) complexity is the level of difficulty of an innovation to understand or use; 4) divisibility is the level of innovation that can be tried little by little; 5) communicability is the level of ability of the results of using an innovation to be observed or explained to others.

Product innovation is something that needs to get the main attention from the company, considering that product innovation is closely related to the problem of consumer satisfaction which is actually the goal of marketing activities carried out by the company. Each company must choose the level carried out by the company. Each company must create innovations that will help or support efforts to improve or maintain the position of the product in its target market. Innovation is a primary tool for growing the level of trust in deciding the use of services to achieve a certain product position to carry out the expected function.

Lifestyle

Lifestyle according to (Kotler, 2002) describes "the whole person" in interacting with their environment. Lifestyle describes the entire pattern of a person in acting and interacting in the world. In general, it can be interpreted as a lifestyle that is recognized by how people spend their time (activities), what is important for people to consider in the environment (interests), and what people think about themselves and the world around them (opinions).

In understanding consumer lifestyles, psychographic researchers use questions called AIO statements that reveal consumer activities, interests, and opinions. Consumer activity questions are asked to indicate what they do, what they buy, and how they spend their time. Interest questions focus on consumer priorities. Opinion questions identify consumer perspectives and feelings on topics of world, local, economic, and social events. Lifestyle according to Blackwell & Miniard (1995), (Kotler, 2002) is a person's pattern of life in the world expressed in their activities, interests, and opinions, which can be seen as follows: 1) Activities are real actions such as watching a medium, shopping in a store, or telling neighbors about a new service. Although these actions can usually be observed, the reasons for these actions can rarely be measured directly;

2) Interests are a kind of object, event, or topic in a level of excitement that accompanies special or continuous attention to it. 3) Opinion is a verbal or written "answer" that people give in response to a stimulus situation in which a kind of "question" is asked. Opinion is also used to describe interpretations, expectations, and evaluations and beliefs about the intentions of others, anticipations, regarding future events, and weighing the rewarding or punishing consequences of alternative courses of action (Engel, 1995).

Service User Decision

A decision means choosing one of many choices from the available alternatives. In general, decisions are made in order to solve problems or issues (problem solving). According to Supranto (1998) every decision that will be made must have a goal to be achieved.

The core of the decision made is the point in formulating various alternative actions that are in accordance with what is being considered and choosing from various appropriate alternatives after conducting an evaluation or assessment. One of the most important components in decision making is an information gathering activity from which an appreciation of the decision situation can be made (Supranto, 1998)

Winardi (2010:200) states that the decision to purchase or use a service is the point of a purchase or service user from the evaluation process. While Kotler and Keller (2009:184) the consumer purchasing decision process or using a service must go through five stages, namely problem recognition, information search, alternative evaluation, purchasing decision and post-purchase behavior.

Methods

According to Azwar (2005, p.77), population in social research is defined as a group of subjects who are to be subjected to generalization of research results, have common traits or characteristics that distinguish them from other groups of subjects. From the definition above, the population in this study are customers who use Go-Pay in Jambi City. According to Sugiyono (2012, p.81), a sample is part of the number and characteristics possessed by the population. From this population, there will be several people who will be used as samples in this study.

Researchers are looking for respondents who meet the requirements, namely those who have used the service more than once, so the sample in this study is customers who use the Go-Pay service more than once. Hair et al. (1998) stated that the number of samples is 150-200, so the number of samples determined by the researcher is 150 respondents.

This research uses a descriptive and quantitative approach with the aim of explaining the magnitude of significance (Indrawan and Yaniawati, 2014: 51). The types and sources of data used in this study are primary data and secondary data. The stages of analysis used are outer loading, validity test, reliability test, inner model test, and hypothesis testing through the SmartPLS program.

Results and Discussion

The next measurement is a test measurement of the reliability value, the analysis is carried out using Cronbach's alpha with a minimum score of 0.7 and composite reliability with a minimum score of 0.7, where the score for each measurement of each variable is more than 0.7 then the variable is considered reliable. Testing measurements of validity values, analysis is carried out using Average Variance Extracted (AVE) with a minimum score of 0.5, where the measurement score for each variable is more than 0.5, then the variable is considered to meet validity. The test measurement results can be seen as follows:

Table 1. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
<i>Service User Decision</i>	0.849	0.859	0.883	0.665
<i>Innovation</i>	0.705	0.829	0.764	0.626
<i>Lifestyle</i>	0.801	0.810	0.849	0.689

Source: processed data, 2024

Based on table 1, it can be seen that the results of the Cronbach's alpha analysis for each variable show that the score is more than 0.7, where the service user decision variable is 0.849, the innovation is 0.705, and the lifestyle variable is 0.801. These results show the accuracy and reliability of all variables in this study. The results of the Average Variance Extracted (AVE) analysis for each variable show that the score is above 0.5, where the service user decision variable is 0.665, the innovation variable is 0.626, and the lifestyle variable is 0.689. These results show that the variables as a whole are declared reliable.

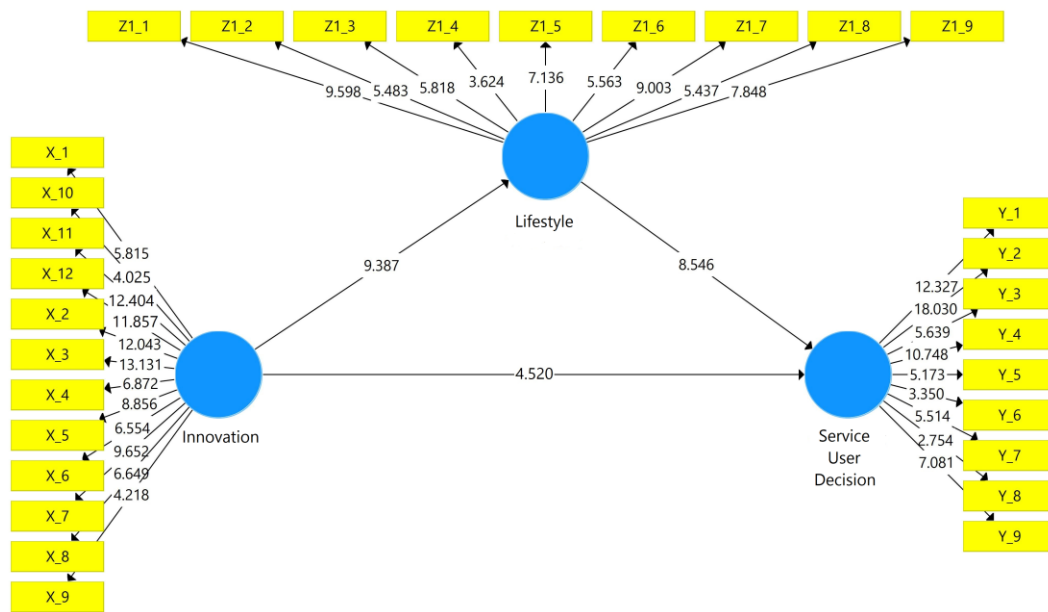
Testing the relationship between variables with a tolerance level or P Value of 0.05, then if the P Value is more than 0.05 the effect is not accepted. It is also proven that if the P value is above 0.05 then the T statistic is smaller than the calculated T, then the results are rejected. The results of data processing in this research, testing the relationship between variables can be seen in the following table:

Table 2. Outer Weight

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values	Results
<i>Innovation -> Service User Decision</i>	0.438	0.440	0.091	4.520	0.002	Accepted
<i>Innovation -> Lifestyle</i>	0.568	0.600	0.061	9.387	0.000	Accepted
<i>Lifestyle -> Service User Decision</i>	0.635	0.649	0.074	8.546	0.000	Accepted
<i>Innovation -> Lifestyle -> Service User Decision</i>	0.361	0.390	0.066	5.491	0.000	Accepted

Source: processed data, 2024

Based on table 2, the results of the analysis of the relationship between variables show that all P values are smaller than 0.05, so the results of the influence of each variable are accepted. The results of data processing for hypothesis testing through the results of the t-value model can be seen in the following picture:



Source: processed data, 2024

Figure 1. Bootstrapping Model

The innovation variable influences service user decision, this is in accordance with the results of the P value of 0.002 where the P value is below 0.05. The innovation variable consists of the dimensions of adventure shopping, social shopping, gratification shopping, idea shopping, role shopping and value shopping which have a positive effect on service user decision. This shows that the higher the innovation, the better the service user decision.

The innovation variable influences lifestyle, this is in accordance with the results of a P value of 0.000 where the P value is below 0.05. The innovation variable consists of adventure shopping, social shopping, gratification shopping, idea shopping, role shopping and value shopping which have a positive effect on lifestyle. This shows that the better the innovation of MSMEs, the better the lifestyle.

The lifestyle variable influences service user decision, this is in accordance with the results of a P value of 0.000 where the P value is below 0.05. The lifestyle variable consists of involvement, positive emotions, meaning, relationships and achievements which have a positive effect on service user decision. This shows that the better the lifestyle, the better the service user decision.

The innovation variable influences service user decision through lifestyle, this is in accordance with the results of a P value of 0.000 where the P value is below 0.05. Innovation variables consisting of adventure shopping, social shopping, gratification shopping, idea shopping, role shopping and value shopping have a positive effect on service user decision through lifestyle which consists of the dimensions of involvement, positive emotions, meaning, relationships and achievement, this shows that the better the innovation, the better the service user decision will be through lifestyle.

Conclusion

The conclusion of the research results is based on the problem formulation, namely innovation has a positive effect on service user decision, innovation has a positive effect on lifestyle, lifestyle has a positive effect on service user decision, lifestyle is able to play a positive role as a mediating influence on innovation on service user decision

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