

THE INFLUENCE OF PROMOTION, EASE OF USE AND PRODUCT QUALITY ON STUDENTS DECISION IN USING THE LIVIN' BY MANDIRI APPLICATION

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Abstract. *This study aims to examine both partially and simultaneously the influence of marketing management aspects, which consist of promotion, ease of use, and product quality, on usage decisions. The type of research used is associative quantitative research. The population in this study consists of active students at Universitas Merdeka Madiun who own and use the Livin' by Mandiri application, totaling 1,270 students. The sampling technique employed is purposive sampling, with data collected through the distribution of questionnaires, resulting in 100 respondents. Secondary data were obtained from the Academic Administration Bureau, internet sources, and journals. Data analysis was conducted using multiple linear regression analysis, the coefficient of determination test (R^2), and hypothesis testing using IBM SPSS Statistics 25. The findings based on the hypothesis testing indicate that promotion partially influences usage decisions, ease of use partially influences usage decisions, and product quality partially influences usage decisions. Furthermore, the variables of promotion, ease of use, and product quality simultaneously influence usage decisions.*

Keywords: *Ease of Use, Product Quality, Promotion, Usage Decision.*

1. INTRODUCTION

In the digital era, banks, as financial institutions are experiencing significant changes in how they serve their customers. Technological advancements have driven the banking industry toward digital-based services. In Indonesia, one of the world's most populous countries, the increasing technology adoption has significantly influenced the use of digital banking services. This trend has led to a rise in digital financial transactions, such as mobile payments (m-payment), mobile banking (m-banking), internet banking, and electronic money (e-money) provided by banks (Yasin et al, 2024). The shift from traditional to digital transactions compels banks to continually innovate to attract and retain customers, particularly university students, who are known for their technological literacy and adaptability and tend to use digital platforms in their daily activities. One such innovation is the development of practical and easily accessible digital products, such as mobile banking applications.

Livin' by Mandiri is one such mobile banking application launched by Bank Mandiri as an innovation to meet the needs of today's customers. The number of users of Livin' by Mandiri has shown a significant increase compared to other mobile banking applications. This study examines the influence of promotion, ease of use, and product quality on usage decisions, with the research population consisting of active students at Universitas Merdeka Madiun.

Promotion plays a critical role in marketing mobile banking applications, especially in attracting university students as new users. Strategic promotional efforts are essential in raising awareness and interest among students to try these digital banking services. In digital products, the easier a system is to understand, the higher the

likelihood of consumers using it (Naufal & Nalurita, 2023). This aligns with students' need for fast and straightforward transaction processes. Moreover, users are more likely to perceive a product as acceptable or high quality when it meets their expectations (Faradila & Shiddiqy, 2024). High product quality motivates students to use the *Livein'* by Mandiri application. Consumers, including university students, tend to prefer applications that are not only user-friendly but also offer added value through attractive promotions, ease of use, and high product quality. By addressing these factors, banks can develop more effective strategies to retain and attract new users in an increasingly competitive environment.

2. LITERATURE REVIEW

2.1 Promotion

Promotion is a crucial aspect of marketing aimed at increasing awareness, interest, and engagement by introducing and offering products or services to consumers. Kotler & Armstrong (2001) describe promotion as a short-term incentive designed to motivate and attract consumers to purchase a product or service. Promotion encompasses a variety of tools, such as coupons, discounts, gifts, and others. Swastha and Irawan (2005) define promotion as a one-way flow of information or persuasion to encourage consumers to take purchasing actions in marketing. According to Lamb et al (2001), promotion is defined as a form of communication by marketers to inform, persuade, and remind potential buyers about a product to influence their assessment or elicit a response. According to Kotler & Keller (2016), there are four indicators of promotion: promotional message, promotional media, timing of promotion, frequency of promotion.

2.2 Ease of Use

Ease of use is a significant factor in evaluating a system, particularly in technology and digital products. Various elements influence user experience, both in terms of interaction and system usability. According to Davis et al (1989), as cited in Atriani et al (2020), ease of use is defined as the degree to which a user believes that a technology or system can be used easily and is free from problems. Jogiyanto, as cited in Brahmanta & Wardani (2021), defines ease of use as an individual's perceived confidence when using technology, whether it facilitates their activities or otherwise. Naufal and Nalurita (2023) stated that the ease of use of an application can influence an individual's behavior. When an individual has a high level of confidence in the ease of using a system, the level of system usage also increases. According to Iriani & Andjarwati (2020), there are six indicators of ease of use: clear & understandable, easy to use, easy to learn, controllable, flexible, and easy to become skillful.

2.3 Product Quality

Product quality measures how well a product meets consumer expectations and needs. It encompasses various aspects, all of which play a vital role in shaping customer experience and satisfaction. According to Kotler & Keller (2009), product quality refers to the totality of features and characteristics of a product or service that relies on its ability to satisfy stated or implied needs. According to Herlambang and Komara (2021), product quality is the ability of a product to meet customer desires or needs, encompassing durability, reliability, ease of use, and other valuable attributes. As stated by Tjiptono (2008), the indicators of product quality include reliability, performance, features, conformance, and serviceability.

2.4 Usage Decision

Decision-making is a process of evaluating actions or strategies to achieve specific objectives. Kotler & Keller (2009) define usage decision as a process involving evaluating and selecting a product or service based on consumer preferences to fulfill

particular needs. They also stated four indicators of usage decision: brand choice, supplier choice, timing of purchase/usage, and payment method.

3. RESEARCH METHODS

The type of research employed is quantitative associative. The population in this study consists of active students at Universitas Merdeka Madiun who own and use the Livin' by Mandiri application on their smartphones, distributed across five faculties. The sampling technique used is purposive sampling, resulting in a research sample of 100 active students who use the Livin' by Mandiri application. Data collection is conducted through the distribution of questionnaires by Google Forms. The stages of analysis include multiple linear regression analysis, coefficient of determination tests, and hypothesis testing.

4. RESULTS AND DISCUSSION

a. Multiple Linear Regression Analysis

Multiple linear regression analysis is conducted to examine the relationship between two or more independent variables and a dependent variable. The model used in multiple linear regression is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Table 1. Multiple Linear Regression Test
Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-----------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.424 | 2.478 | | 2.592 | .011 |
| | Promotion | .309 | .087 | .331 | 3.540 | .001 |
| | Ease of Use | .221 | .104 | .224 | 2.127 | .036 |
| | Product Quality | .166 | .063 | .248 | 2.629 | .010 |

a. Dependent Variable: Usage Decision

(Source: IBM SPSS Output, 2025)

Based on the table, the results of the multiple linear regression analysis can be expressed in the following regression equation:

$$Y = 6,424 + 0,309X_1 + 0,221X_2 + 0,166X_3 + e$$

The interpretation of the multiple linear regression equation is as follows:

- 1) The constant value of 6,424 indicates the condition where the dependent variable, usage decision (Y), is not influenced by the independent variables, promotion (X₁), ease of use (X₂) and product quality (X₃). If the independent variables are not exist, the usage decision variable remains unchanged.
- 2) The coefficient b₁ 0,309 indicates that the promotion variable (X₁) has a positive influence on usage decisions. This means that for every 1-unit increase in promotion, the usage decision increases by 0,309. Assuming ease of use (X₂) and product quality (X₃) are not considered.
- 3) The coefficient b₂ 0,221 indicates that the ease of use variable (X₂) has a positive influence on usage decisions. This means that for every 1-unit increase in ease of use, the usage decision increases by 0,221. Assuming promotion (X₁) and product quality (X₃) are not considered.
- 4) The coefficient b₃ 0,116 indicates that the product quality variable (X₃) has a positive influence on usage decisions. This means that for every 1-unit increase in product quality, the usage decision increases by 0,116. Assuming promotion (X₁)

and ease of use (X_2) are not considered.

a. Coefficient of Determination Test (R^2)

The coefficient of determination is used to assess the extent to which the independent variables can explain the variation in the dependent variable. The following is the test for the coefficient of determination:

Table 2. Coefficient of Determination Test (R^2)

| Model | R | R Square | Model Summary ^b | |
|-------|-------------------|----------|----------------------------|----------------------------|
| | | | Adjusted R Square | Std. Error of the Estimate |
| 1 | .660 ^a | .435 | .417 | 2.042 |

i. Predictors: (Constant), Product Quality, Promotion, Ease of Use

ii. Dependent Variable: Usage Decision

(Source: IBM SPSS Output, 2025)

The table shows that the Adjusted R Square value is 0,417. meaning that 41,7% of the variation in the usage decision (Y) is explained by promotion (X_1), ease of use (X_2) dan product quality (X_3). The remaining 58,3% is explained by other variables not included in this study.

b. Partial Significance Test (t -Test)

The partial significance test (t -test) is conducted to evaluate the extent to which promotion (X_1), ease of use (X_2) and product quality (X_3) partially influence the usage decision (Y). Here is the result of the test:

Table 5. Partial Significance Test (t -Test)
Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-----------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.424 | 2.478 | | 2.592 | .011 |
| | Promotion | .309 | .087 | .331 | 3.540 | .001 |
| | Ease of Use | .221 | .104 | .224 | 2.127 | .036 |
| | Product Quality | .166 | .063 | .248 | 2.629 | .010 |

i. Dependent Variable: Usage Decision

(Source: IBM SPSS Output, 2025)

Based on the table, the partial effects of promotion (X_1), ease of use (X_2) and product quality (X_3) on usage decisions (Y), are as follows:

- 1) The t_{value} for promotion is 3,540 with t_{table} of df 97 is 1,985, and the significance value of promotion (X_1) is 0,001, which is less than $\alpha = 0,05$. Since $3,540 > 1,985$ and $0,001 < 0,05$ so H_0 is rejected and H_a is accepted, indicating that promotion has a positive and significant effect on usage decisions.
- 2) The t_{value} for ease of use is 2,127 with t_{table} of df 97 is 1,985, and the significance value of ease of use (X_2) is 0,036, which is less than $\alpha = 0,05$. Since $2,127 > 1,985$ and $0,036 < 0,05$ so H_0 is rejected and H_a is accepted, indicating that ease of use has a positive and significant effect on usage decisions.
- 3) The t_{value} for product quality is 2,629 t_{table} of df 97 is 1,985, and the significance value product quality (X_3) is 0,000, which is less than $\alpha = 0,05$. Since $2,629 > 1,985$ and $0,010 < 0,05$ so H_0 is rejected and H_a is accepted, indicating that product quality has a positive and significant effect on usage decisions.

c. Simultaneous Significance Test (F -Test)

The F -test is conducted to determine whether the independent variables have a

significant effect on the dependent variable. The criteria are that a significance value (α) $< 0,05$ indicates H_0 is rejected and H_a is accepted, and a significance value (α) $> 0,05$ indicates H_0 is accepted and H_a is rejected

Table 6. Simultaneous Significance Test (F -Test)

| | | ANOVA ^a | | | | |
|-------|------------|--------------------|----|-------------|--------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 308.311 | 3 | 102.770 | 24.638 | .000 ^b |
| | Residual | 400.439 | 96 | 4.171 | | |
| | Total | 708.750 | 99 | | | |

- i. Dependent Variable: Usage Decision
- ii. Predictors: (Constant), Product Quality, Promotion, Ease of Use
(Source: IBM SPSS Output, 2025)

From the table above, the F_{value} is 24,638, and the significance value is 0,000 with a residual value F_{table} of 96 in the 3rd row is 2,699. Since $24,638 > 2,699$ and $0,000 < 0,05$ so H_0 is rejected and H_a is accepted, this indicates that promotion (X_1), ease of use (X_2), and *product quality* (X_3) simultaneously have a positive and significant effect on usage decisions (Y).

d. Discussion

1) The Influence of Promotion on Usage Decisions

The results of the analysis and tests indicate that the promotion variable (X_1) positively and significantly influences usage decisions (Y). These findings are supported by previous studies conducted by Amalita & Rahma (2022), which revealed that promotion positively and significantly affects purchasing decisions. Similarly, Subhan et al (2020) found that promotion positively and significantly influences purchasing decisions. Furthermore, these results align with the theory proposed by Kotler & Keller (2016), which states that promotion can influence consumer decisions in choosing and using a product or service. This demonstrates that improved promotional strategies can enhance consumer decisions, particularly among university students, regarding using the *Livein'* by Mandiri application.

2) The Influence of Ease of Use on Usage Decisions

The analysis and tests indicate that the ease of use variable (X_2) positively and significantly influences usage decisions (Y). These findings are supported by previous studies conducted by Naufal & Nalurita (2023), which revealed that ease of use positively and significantly affects purchasing decisions. Nainggolan et al. (2023) also explained that ease of use positively and significantly influences usage decisions. Additionally, these findings align with the theory by Iriani & Andjarwati (2020), which explains that ease of use is related to the extent to which consumers perceive a product or service as easy to understand, use, learn, control, flexible, and capable of making users proficient in fulfilling their banking needs—ranging from financial transactions to bill payments and investments. This proves that the *Livein'* by Mandiri application meets these criteria, enhancing comfort and convenience for university students and encouraging them to choose and use the application.

3) The Influence of Product Quality on Usage Decisions

The results of the analysis and tests indicate that the product quality variable (X_3) positively and significantly influences usage decisions (Y). These findings are supported by previous studies conducted by Amalita & Rahma (2022), which explained that product quality positively and significantly influences purchasing decisions. Similarly, research by Wulandari & Hartono (2022) revealed that the product quality

variable affects purchasing decisions. Moreover, these findings are consistent with the theory of product quality by Tjiptono (2008), which emphasizes that reliability, performance, features, suitability, and service capabilities are critical factors in building consumer trust in a product or service. This demonstrates that the Livin' by Mandiri application has successfully increased the interest and preferences of university students, encouraging them to choose and use the application.

4) The Influence of Promotion, Ease of Use, and Product Quality on Usage Decisions

The results of the analysis and tests indicated that the variables of promotion (X_1), ease of use (X_2), and product quality (X_3) collectively have a positive and significant influence on usage decisions (Y). These findings are consistent with previous studies conducted by Sari (2023), which explained that product quality, promotion, and ease of use influence purchasing decisions. This demonstrates that the increase in university students' decisions to use the Livin' by Mandiri application is influenced by attractive and regular promotions, the ease of using the application with user-friendly features, and the high-quality and responsive features of the Livin' by Mandiri application.

CONCLUSION

Based on the data obtained and the test results, the following conclusions can be drawn:

1. The promotion variable has a significant influence on students' decisions to use the Livin' by Mandiri application.
2. The ease-of-use variable has a significant influence on students' decisions to use the Livin' by Mandiri application.
3. The product quality variable has a significant influence on students' decisions to use the Livin' by Mandiri application.
4. The variables of promotion, ease of use, and product quality simultaneously have a significant influence on students' decisions to use the Livin' by Mandiri application.

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