

From Parent Company to Platform: How Trust Transfer and Satisfaction Influence Loyalty in Indonesian Digital Banks

Evi Rinawati Simanjuntak^{1*}, Satya Paramadana¹, Benrik Anthony¹, M. Fariduddin Az¹

¹Bina Nusantara University

The Joseph Wibowo Center (JWC), Jl. Hang Lekir I No. 6, Jakarta 10270, Indonesia

*Corresponding Email: esimanjuntak@binus.edu

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE

Simanjuntak, E. R., Paramadana, S., Anthony, B., & Az, M. F. (2026). From parent company to platform: How trust transfer and satisfaction influence loyalty in Indonesian digital banks. *International Journal of Accounting and Finance in Asia Pacific*, 9(3), 1422-1439.

DOI:

<https://doi.org/10.32535/ijafap.v9i3.5103>

Copyright© 2026 owned by Author(s).
Published by IJAFAP



This is an open-access article.

License:

Attribution-Noncommercial-Share Alike
(CC BY-NC-SA)

Received: 17 August 2026

Accepted: 18 September 2026

Published: 20 October 2026

ABSTRACT

Despite the rapid growth of digital banks in Indonesia, evidence on loyalty drivers remains scarce. This study examines how perceived benefit, ease of use, and service innovation influence satisfaction with digital banks, and how satisfaction, trust in the parent company, and trust in the digital bank shape share-of-wallet (SoW) and word-of-mouth (WoM). Survey data from 278 customers were analyzed using partial least squares structural equation modeling (PLS-SEM). All three antecedents significantly and positively affect satisfaction, with service innovation the strongest ($b = 0.458$, $p < 0.05$). Trust in the parent company and satisfaction jointly explain trust in the digital bank ($R^2 = 0.746$), supporting trust transfer theory. Satisfaction and trust in the digital bank both significantly influence SoW and WoM, but differently: trust better predicts WoM ($b = 0.517$), whereas satisfaction better predicts SoW ($b = 0.480$). By integrating satisfaction-based and trust-transfer pathways, the study explains how parent-company trust and customer satisfaction relate to two distinct loyalty outcomes: self-reported perceived or intended SoW allocation and WoM.

Keywords: Customer Satisfaction; Digital Bank; Share-of-Wallet; Service Innovation; Trust Transfer; Word-of-Mouth

JEL Classification: M30; M31

INTRODUCTION

Digital banks have become a prominent feature of financial services, particularly as the COVID-19 pandemic accelerated the adoption of contactless digital services. Operating without physical branches and relying entirely on mobile applications, they are changing how customers access financial services and manage their money. Indonesia presents substantial opportunities for digital banking and financial inclusion. World Bank's Global Findex 2025, based on 2024 data, reported that 56.33% of Indonesians aged 15 and above owned a financial account (Klapper et al., 2025), underscoring the need for consistent definitions when assessing financial inclusion. Meanwhile, Bank Indonesia reported that digital payment transaction volume reached 16.07 billion transactions in the second quarter of 2026, representing year-on-year growth of 36.88%. Transactions through internet and mobile applications grew by 16.88% and 31.39%, respectively, reflecting continued expansion in the adoption of digital payment services (Yulitavia, 2026).

Competition from conventional banks and digital companies is intensifying, and the central challenge has shifted from acquiring users to keeping them active and deepening relationships. Two customer behaviors are therefore especially valuable to digital banks. Share-of-wallet (SoW), the proportion of a customer's financial transactions or assets allocated to one bank, reflects behavioral loyalty and the depth of the relationship. Word-of-mouth (WoM) reflects advocacy and supports customer acquisition.

Prior research identifies perceived benefit, ease of use, service innovation, trust, and satisfaction as drivers of digital bank use and, therefore, loyalty (Windasari et al., 2022). Satisfaction is widely shown to increase loyalty and positive behaviors such as WoM; meanwhile, trust is critical in digital banks because there is no physical interaction. Digital banks often address this by drawing on their parent companies' reputations, as SeaBank does with Shopee and Allo Bank with CT Corp. Trust transfer theory explains this process (Chiu et al., 2024; Windasari et al., 2022). Yet, to our knowledge, three gaps remain. First, research on trust transfer has focused mainly on adoption and intention to use (Chiu et al., 2024), so little is known about how transferred trust combines with experience-based satisfaction to shape post-adoption behavior. Second, studies of the satisfaction-trust-loyalty relationship generally treat loyalty as a single construct or focus on attitudinal loyalty, rather than separating SoW from WoM, even though the two may have different antecedents. Related work shows that corporate trust shapes commitment, with implications for SoW and WoM (Sharma et al., 2020), and that satisfaction provides a competitive advantage (Zhang & Kim, 2020), but the evidence does not isolate the roles of satisfaction and trust in digital-only banking. Third, evidence from emerging markets such as Indonesia remains limited.

This study addresses these gaps by drawing on the stimulus-organism-response (S-O-R) framework and trust transfer theory. It asks (1) how perceived benefit, ease of use, and service innovation shape customer satisfaction; (2) whether trust in the parent company transfers to trust in the digital bank; and (3) how satisfaction and trust in the digital bank differently influence SoW and WoM. In the model, perceived benefit, ease of use, service innovation, and trust in the parent company are stimuli; satisfaction and trust in the digital bank constitute the organism; and SoW and WoM are the responses.

The study makes three contributions. First, it extends trust transfer theory from adoption to post-adoption behavioral loyalty by integrating transferred trust with experience-based satisfaction in a single model. Second, by modeling SoW and WoM separately, it shows whether the drivers of wallet allocation and advocacy differ, which a single loyalty construct would obscure. Third, it provides evidence from Indonesian digital bank users

(N = 278) and offers digital banks practical guidance on where to invest: service innovation, usability, and leveraging parent-company reputation.

LITERATURE REVIEW

Trust Transfer Theory

Trust transfer is a cognitive process in which trust in a known entity is transferred to an unknown entity, depending on the connection between the two (Stewart, 2003). This theory traces back to sociological studies of how individuals form trust. Trust can form through intermediaries or other trusted parties. In marketing, this mechanism helps explain how trust in a brand, organization, or platform can transfer to another related entity. When information is limited, consumers can use their trust in the parent brand as a starting point for evaluating the sub-brand. Chiu et al. (2024) found that trust in the LINE app and LINE Pay positively influenced trust in LINE Bank, which in turn influenced usage intention. In Indonesia, digital banks face similar challenges; new digital channels weaken structural guarantees and increase information asymmetry because consumers cannot directly verify services (Stewart, 2003). Customers mostly rely on the reputation of their parent companies, such as Blu BCA Digital (with BCA as parent company) and LINE Bank (with LINE as parent company). Psychologically, trust transfer also relates to consumers' tendency to maintain consistency in their evaluations. Individuals tend to avoid inconsistencies in their belief structures. In this research, when consumers trust the parent brand and see the sub-brand as closely related, they tend to form trust in the sub-brand more easily.

Stimulus-Organism-Response (S-O-R) Framework

The S-O-R framework by Mehrabian and Russell (1974) explains that stimuli influence internal conditions (organism), which then shape behavioral responses. In this context, perceived benefit, ease of use, service innovation, and trust in the parent company act as stimuli that trigger users' cognitive and affective processes. Internal responses such as customer satisfaction and trust in digital banks form an organism, with trust also acting as a mediator. These responses ultimately translate into WoM and SoW as forms of customer loyalty.

Variable Definitions

Customer Satisfaction

Customer satisfaction arises from customers' evaluation of a product or service by comparing their prior expectations with their perceptions of actual performance. When perceived performance meets or exceeds expectations, satisfaction is more likely to occur; when performance falls short, dissatisfaction may result (Oliver, 1980; Schiebler et al., 2026). In the banking sector, customer satisfaction is crucial because it reflects confidence in service effectiveness and indicates success in service delivery (Susanto et al., 2023); therefore, it helps build customer loyalty and provides a competitive advantage amid competition among digital banks.

Perceived Benefit

Perceived benefit refers to the benefits of technology, including financial gains and ease of service. In the context of digital banks, these benefits include payment efficiency, competitive interest rates, promotions, time savings, and more diverse services than conventional transactions (Gong et al., 2020; Nguyen & Dao, 2024). Customers also enjoy benefits such as free interbank transfers, no account-opening fees, high savings interest, and non-financial features like virtual customer service and expense tracking (Windasari et al., 2022).

Ease of Use

Ease of use is the belief that new technology is easy to use and does not complicate things for users (Davis, 1989), which is particularly important in digital banks because many customers are not yet familiar with available digital services. In this study, ease of use covers learning and using new products, including perceptions of the simplicity of digital bank systems and procedures. Digital banking platforms should be designed with intuitive features to make information easier to find and navigate (Martínez-Navalón et al., 2023). Additionally, companies should emphasize ease of use and familiar technology interactions and introduce social features, such as split bills, to improve convenience (Windasari et al., 2022).

Service Innovation

Service innovation uses technology to modify products or services to meet customer needs and create new value (Baniasadi et al., 2021). In banking, this innovation responds to regulatory changes, competition, and market needs, and improves customer satisfaction (Chang & Lee, 2020). Beyond strengthening competitiveness, service innovation can also create new business models that revolutionize the service industry.

Trust in the Parent Company

Trust in the parent company refers to a person's trust in the parent entity, such as Bank BCA, which influences trust in BCA Digital (Windasari et al., 2022). This process is known as trust transfer, where trust in a familiar service or entity is transferred to a related new service (Stewart, 2003). Chiu et al. (2024) also show that trust in applications like LINE and LINE Pay can influence trust in LINE Bank as part of the same company.

Trust in Digital Banks

Trust in digital banks reflects customers' belief that the bank is honest, competent, and able to meet their expectations (Albarq, 2023; Chiu et al., 2024). In the financial industry, trust is a crucial factor driving the use of digital banking services. Once trust is established, customers tend to remain loyal even when competitors offer more attractive options.

Word-of-Mouth (WoM)

WoM is informal communication from satisfied customers, such as recommendations to others or positive reviews on social media (Khaled et al., 2021). In banking, WoM reflects customer interest in the products and services they discuss in everyday conversations (Bourdeau et al., 2024). As one of the oldest forms of marketing, WoM is an important source of information in decision-making, especially for high-risk purchases.

Share-of-Wallet (SoW)

SoW is the percentage of transactions or financial assets a customer allocates to one bank compared with their total assets across all institutions. SoW reflects tangible behavioral loyalty, such as the value of savings and investments in one bank, which is different from emotional loyalty. This demonstrates customer commitment through concrete financial decisions, such as repurchasing and increasing fund allocation (Sharma et al., 2020). However, in this study, we use a self-reported perceived wallet allocation or intended allocation, rather than observed behavioral loyalty (actual fund allocation).

Hypotheses Development

Relationship Between Perceived Benefit and Customer Satisfaction

Research indicates that perceived benefit plays an important role in increasing customer satisfaction. When users perceive significant benefits from digital services like mobile banking, their satisfaction tends to increase, driving continued use (Zhang & Kim, 2020). Similar findings have also been reported in studies on digital payment services, where

ease of use and improved service performance positively impact customer satisfaction (Al Amin et al., 2024; Nguyen & Dao, 2024)

H1: Perceived benefit positively influences customer satisfaction.

The Relationship Between Ease of Use and Customer Satisfaction

Ease of use significantly influences customer satisfaction toward digital banks. An intuitive interface and ease of interaction with the application enhance customer satisfaction. Other studies also show that the easier users perceive the application to be, the higher their satisfaction tends to be (Almansour & Elkrghli, 2023; Ibrahim et al., 2026), while a complex interface can reduce it (Oh & Kim, 2022).

H2: Ease of use has a positive effect on customer satisfaction.

The Relationship Between Service Innovation and Customer Satisfaction

Service innovation is argued to increase customer satisfaction and loyalty by helping firms meet customer expectations, strengthen their competitiveness, and reduce complaints (Boustani, 2022). In digital banks, functional service attributes appear to form the foundation of satisfaction. Hui et al. (2026) found that security, reliability, responsiveness, and convenience drive satisfaction among young Malaysian digital bank users. Innovation, however, may differentiate the experience beyond these basics. Among young Indonesian users, Ismulyati et al. (2025) found that technology and innovation fostered online flow, which in turn enhanced digital customer experience and loyalty, whereas security and transaction speed did not. Accordingly, service innovation is expected to increase customer satisfaction in a digital bank. Therefore, we hypothesize:

H3: Service innovation positively influences customer satisfaction

Relationship Between Trust in Parent Company and Trust in Digital Banking

Trust in a digital bank is difficult to build without a physical office (Windasari et al., 2022), but it can be transferred from a credible conventional bank through internal and external cues, such as interface similarity and business relationships (Gong et al., 2020). Trust in traditional services can also influence trust in new digital services (Chiu et al., 2024).

H4: Trust in the parent company positively influences trust in the digital bank.

The Relationship Between Customer Satisfaction and Trust in Digital Banking

Customer satisfaction predicts positive behaviors such as increased trust and loyalty, including repeat purchases (Hidayat & Idrus, 2023; Martínez-Navalón et al., 2023). Trust reflects a willingness to build long-term relationships and is a key indicator of satisfaction. In banking, various studies show that customer satisfaction significantly influences trust in the bank (Albarq, 2023; Berriche et al., 2026).

H5: Satisfaction positively influences trust in a digital bank.

The Relationship Between Customer Satisfaction and SoW

Satisfied customers tend to be more loyal and use services repeatedly, giving the company a competitive advantage (Zhang & Kim, 2020). Satisfaction has been shown to positively affect SoW across sectors (Bourdeau et al., 2024), increase repurchase likelihood, and foster both attitudinal and behavioral loyalty, especially in electronic transactions.

H6: Customer satisfaction positively influences SoW in digital banks.

The Relationship Between Customer Satisfaction and WoM

WoM plays an important role in marketing because it can influence others' perceptions and decisions. Customer satisfaction is a key driver of WoM, as satisfied customers are more likely to share positive experiences. Various studies show a positive, significant relationship between satisfaction and WoM frequency (Khaled et al., 2021).

H7: Customer satisfaction positively influences WoM.

The Relationship Between Trust in Digital Banking and Share of Wallet (SoW)

In the financial industry, which handles sensitive data, trust plays a crucial role because it shapes the perceived benefits and risks of transactions. Trust directly influences customer behavior and significantly contributes to customer loyalty (Kaabachi et al., 2020). This loyalty is reflected in investment and savings behavior, illustrating SoW, where trust is a key factor in financial product purchasing decisions.

H8: Trust in digital banks positively influences its SoW.

The Relationship Between Trust in Digital Banking and WoM

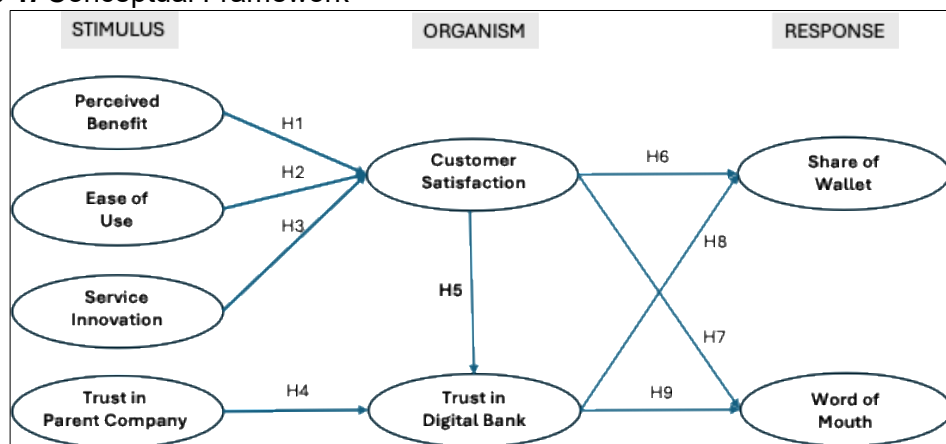
Customer trust fosters the belief that a company acts in its customers' long-term interests. In the context of digital banks, this trust increases positive WoM (Alamoudi et al., 2025). Berriche et al. (2026) reported similar findings, which showed that high trust in services predicts the spread of positive WoM. Thus, trust becomes a key factor in shaping attitudinal loyalty and increasing WoM in digital financial services.

H9: Trust in digital bank positively influences WoM.

Conceptual Framework

Based on the nine hypotheses, we derive the conceptual framework as depicted in Figure 1.

Figure 1. Conceptual Framework



RESEARCH METHOD

Research Design

This study adopted a quantitative, cross-sectional survey design to test the hypothesized relationships among the constructs. Surveys are well suited to this purpose because they collect standardized information on individuals' knowledge, attitudes, and behaviors for description, comparison, and explanation. The target population comprised users of digital bank applications in Indonesia, both in the Jabodetabek area and in other regions.

Population and Sampling

This study focuses on Indonesian people who have used digital bank applications for transactions in the past year and examines eight variables: perceived benefit, ease of use, service innovation, customer satisfaction, trust in the digital bank, trust in the parent company, WoM, and SoW. The study used purposive non-probability sampling, allowing researchers to select respondents based on specific criteria. To determine the sample size, this study followed [Hair Jr. et al.'s \(2021\)](#) guidelines, which recommend a minimum of five times the number of research indicators. With 41 indicators, the minimum required sample size is 205 respondents, and this study collected 278 responses.

Measurement

The questionnaire comprised four sections: a cover letter, screening questions (respondents had to have used and made a transaction in a digital bank for more than one year), respondent demographics, and measurement items for each construct. Items were adapted from established scales: perceived benefit ([Rahim et al., 2022](#)), ease of use ([Nguyen & Dao, 2024](#)), service innovation, customer satisfaction ([Bourdeau et al., 2024](#)), trust in the parent company ([Windasari et al., 2022](#)), trust in the digital bank ([Kaabachi et al., 2020](#)), SoW ([Sharma et al., 2020](#)), and WoM ([Mukerjee, 2020](#)). All items were rated on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree). We cautiously used a self-reported measure of SoW, such as: "Over the past year, the balance of my savings in my digital bank account...", rather than the actual amount of funds in the digital bank.

The items were translated into Bahasa Indonesia (using back translation) and pre-tested with 35 respondents before the main survey. The pre-test aimed to ensure each questionnaire item met the necessary validity and reliability criteria before use in a larger study. The researchers conducted the pre-test online through Google Forms. The researchers then processed and analyzed the pre-test data using SmartPLS Version 4.0.

Data Collection

Once the instrument was deemed satisfactory, the researchers administered the main survey online through Google Forms. We recruited respondents through purposive sampling and shared the survey link via WhatsApp, Telegram, Facebook, and Instagram. A cover letter explained the study's purpose and stated that participation was voluntary and responses were anonymous. Screening questions ensured that respondents had used a digital bank for more than one year and had made a transaction in the past year. Of the 338 completed questionnaires, 278 remained after data cleaning (we checked for straight-lining and incomplete responses). This exceeded the minimum of 205 respondents, calculated as five times the initial 41 indicators ([Hair Jr et al., 2021](#)). We used market data from academic journals, books, industry reports, and news sources only to establish the study's context and relevance, such as market size and digital bank user activity in Indonesia, and did not use them in the hypothesis testing or other analysis.

Data Analysis

We analyzed the data using PLS-SEM in SmartPLS version 4. We first computed descriptive statistics (mean, standard deviation, minimum, and maximum) for each indicator to summarize response patterns. The analysis then followed a two-stage structural equation modeling procedure ([Hair Jr. et al., 2021](#)). In the first stage, we assessed the reflective measurement model. We evaluated measurement items' validity using outer loadings (≥ 0.70), internal consistency reliability using Cronbach's Alpha and Composite Reliability (both ≥ 0.70), and convergent validity using the average variance extracted (AVE ≥ 0.50). We assessed discriminant validity using the heterotrait-monotrait ratio (HTMT), with values below 0.85 indicating that conceptually distinct constructs are empirically distinct, and values below 0.90 accepted for conceptually similar constructs

(Henseler et al., 2015). In the second stage, once the measurement model met these criteria, we evaluated the structural model. We checked collinearity using inner variance inflation factors ($VIF < 5$), explanatory power using the coefficient of determination (R^2), and each predictor's contribution using effect sizes (f^2 ; 0.02, 0.15, and 0.35 indicating small, medium, and large effects). We estimated path coefficients and their significance through bootstrapping with 5,000 subsamples using a one-tailed test, since all hypotheses are directional.

RESULTS

Respondent Profile

Table 1. Respondents Profiles (n=278)

Demography Profile	Frequency (n)	Percentage (%)
Gender		
Male	141	50.7
Female	137	49.3
Age		
< 18 y.o	-	-
18 - 27 y.o.	58	20.9
28 - 38 y.o.	147	52.9
39 - 49 y.o.	35	12.6
> 49 y.o.	38	13.7
Education:		
< High School	2	0.7
High School	37	13.3
Diploma	39	14
Undergraduate Degree (S1/D4)	172	61.9
Graduate Degree (S2)	25	9
Post-Graduate Degree (S3)	3	1.1
Occupation:		
Students	16	5.8
Private Sector Employee	174	62.6
Public Sector Employee	6	2.2
Entrepreneur/Freelancers	44	15.8
Housewives	17	6.1
Others	21	7.5
Income per month		
< IDR 5,000,000	74	26.6
IDR 5,000,000 - 9,999,999	112	40.3
IDR 10,000,000 - 19,999,999	47	16.9
20 - 49,9 million	34	12.2
> 50 million	11	4.0

Table 1 shows the distribution of respondents according to the demographic categories (gender, age, education, occupation, and income per month). We analyzed 278 respondents, comprising males (50.7%) and females (49.3%). By age group, the largest share of respondents falls within the 28-38 range (52.9%), followed by the 18-27 age group (20.9%). The remaining 26.2% are aged 39 and over. Geographically, most respondents reside in Jabodetabek (77%), with the remaining 23% from other regions in Indonesia.

Validity and Reliability Test

Table 2. Reliability and Validity Test Results (n=278)

Variable	Items	Factor Loading	Cronbach's Alpha	Composite Reliability	AVE
Perceived Benefit (PB)	PB1	0.904	0.863	0.909	0.715
	PB2	0.845			
	PB3	0.917			
	PB4	deleted			
	PB5	0.699			
	PB6	deleted			
Ease of Use (EOU)	EOU1	0.860	0.931	0.948	0.785
	EOU2	0.903			
	EOU3	0.828			
	EOU4	0.908			
	EOU5	0.927			
Service Innovation (SI)	SI1	deleted	0.850	0.900	0.692
	SI2	0.800			
	SI3	0.787			
	SI4	0.923			
	SI5	0.811			
Customer Satisfaction (SAT)	SAT1	0.788	0.923	0.943	0.767
	SAT2	0.905			
	SAT3	0.871			
	SAT4	0.909			
	SAT5	0.901			
Trust in Parent Company (TPC)	TPC1	0.912	0.963	0.971	0.871
	TPC2	0.939			
	TPC3	0.947			
	TPC4	0.935			
	TPC5	0.933			
Trust in Digital Banking (TDB)	TDB1	0.810	0.906	0.930	0.726
	TDB2	0.849			
	TDB3	0.866			
	TDB4	0.867			
	TDB5	0.866			
Share-of-Wallet (SOW)	SOW1	0.869	0.871	0.912	0.721
	SOW2	0.843			
	SOW3	0.809			
	SOW4	0.873			
Word-of-Mouth (WOM)	WOM1	0.842	0.950	0.960	0.802
	WOM2	0.927			
	WOM3	0.928			
	WOM4	0.924			
	WOM5	0.936			
	WOM6	0.809			

Table 2 shows the results of validity and reliability tests. In this study, we removed three indicators with factor loadings below 0.7, PB4 (0.573), PB6 (0.668), and SI1 (0.692), because their removal improved the instrument's validity and reliability (Hair Jr. et al., 2021). After removal, most indicators met the factor-loading threshold of > 0.7, except PB5 (0.699), which was retained because it was very close to the threshold and did not significantly affect the results. The AVE values for all constructs range from 0.692 to 0.871, exceeding the minimum threshold of 0.5 and meeting the criteria for convergent validity. Additionally, all constructs met the minimum reliability threshold of 0.70, with

Cronbach's alpha values ranging from 0.850 to 0.963 and composite reliability values ranging from 0.900 to 0.971 (Hair Jr. et al., 2021).

Discriminant Validity Test

The discriminant validity test used the HTMT method, where the HTMT value between two constructs is expected not to exceed 0.85, or 0.90 if the two constructs are conceptually strongly related (Henseler et al., 2015).

Table 3. HTMT Test Result

Variable	TDB	EOU	PB	TPC	SAT	SI	SOW	WOM
1 TDB								
2 EOU	0.769							
3 PB	0.677	0.782						
4 TPC	0.797	0.65	0.572					
5 SAT	0.886	0.768	0.719	0.691				
6 SI	0.766	0.726	0.631	0.616	0.842			
7 SOW	0.643	0.537	0.524	0.521	0.697	0.67		
8 WOM	0.825	0.641	0.574	0.703	0.78	0.712	0.76	

*Note: Perceived Benefit (PB), Ease of Use (EOU), Service Innovation (SI), Customer Satisfaction (SAT), Trust in Parent Company (TPC), Trust in Digital Banking (TDB), Word-of-Mouth (WOM)

Based on Table 3, almost all HTMT values are below the 0.85 limit, except for Trust in Digital Banking toward Satisfaction (HTMT = 0.886). However, many studies confirm the Satisfaction–Trust–Loyalty chain; therefore, we accept the value (0.886) as it is still below 0.9 and deem the constructs to have discriminant validity, so we accept the HTMT test results.

Coefficient of Determination Test

Table 4. Coefficient of Determination

Variable	R Square	R Square Adjusted
1 SAT	0.670	0.667
2 TDB	0.746	0.744
3 SOW	0.417	0.413
4 WOM	0.629	0.626

*Note: Perceived Benefit (PB), Ease of Use (EOU), Service Innovation (SI), Customer Satisfaction (SAT), Trust in Parent Company (TPC), Trust in Digital Banking (TDB), Word-of-Mouth (WOM)

The results in Table 4 indicate that the research model explains a sufficiently high proportion of the variation in several key variables. Customer satisfaction has an R^2 of 0.670, meaning perceived benefit, ease of use, and service innovation explain 67% of its variance. Meanwhile, customer satisfaction and trust in the parent company explain 74.6% of the variance in trust in the digital bank. The SoW variable shows an R^2 of 0.417, explained by customer satisfaction and trust in the digital bank. WoM has an R^2 of 0.629, explained by customer satisfaction and trust in the digital bank. The remaining variance in each variable is explained by other factors outside the model used in this study.

Hypothesis Testing Result

After testing the construct validity and reliability, the evaluation moved to the structural model, considering potential collinearity bias between constructs. We checked collinearity using the VIF.

Table 5. Hypothesis Testing Result

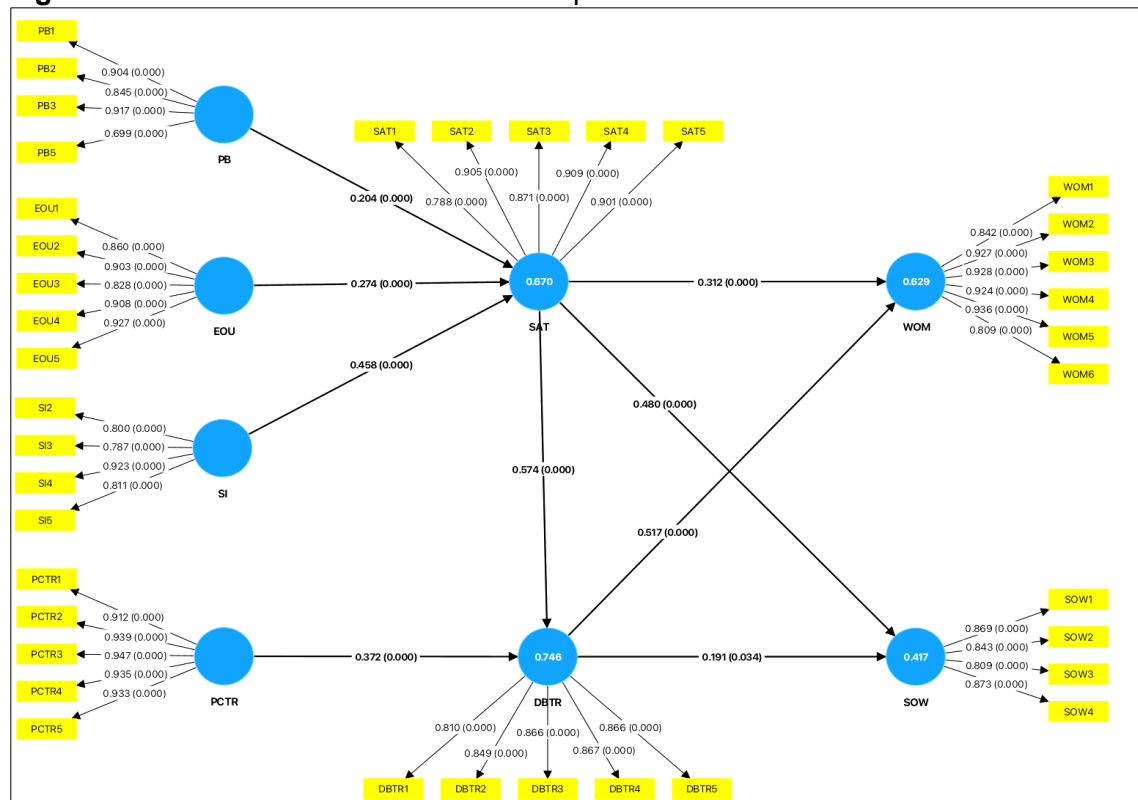
	Hypothesis	VIF	Path Coefficient	f ²	t-values	p-values	Conclusion
H1	PB → SAT	2.082	0.204	0.06	4.035	<0.001	Supported
H2	EOU → SAT	2.500	0.274	0.091	4.140	<0.001	Supported
H3	SI → SAT	1.773	0.458	0.358	8.297	<0.001	Supported
H4	TPC → TDB	1.746	0.372	0.312	8.164	<0.001	Supported
H5	SAT → TDB	1.746	0.574	0.743	13.249	<0.001	Supported
H6	SAT → SOW	3.003	0.480	0.132	4.130	<0.001	Supported
H7	SAT → WOM	3.003	0.312	0.087	3.522	<0.001	Supported
H8	TDB → SOW	3.003	0.191	0.021	1.827	0.034	Supported
H9	TDB → WOM	3.003	0.517	0.240	6.210	<0.001	Supported

*Note: Perceived Benefit (PB), Ease of Use (EOU), Service Innovation (SI), Customer Satisfaction (SAT), Trust in Parent Company (TPC), Trust in Digital Banking (TDB), Word-of-Mouth (WOM)

Table 5 shows that VIF values ranged from 1.746 to 3.003, below the 5 threshold and indicating no multicollinearity issues (Hair Jr. et al., 2021). We also analyzed the effect size (f²), which assesses the strength of the influence between variables, using cut-off values of 0.02 (small), 0.15 (medium), and 0.35 (large). The results show that two paths that form satisfaction (PB → SAT, EOU → SAT), although statistically significant, have notably small effect sizes. Another path with a small effect size is TDB → SOW, indicating that trust in a digital bank is not always sufficient to drive behavioral loyalty (SOW).

The hypothesis testing results show that all linkages are significant, supporting nine hypotheses and indicating positive, significant relationships between variables, as shown in Figure 2. All path coefficients show the predicted relationship directions, as hypothesized.

Figure 2. Full Model Path Coefficients with p-Values



DISCUSSION

This study examined how perceived benefit, ease of use, service innovation, and trust in the parent company shape satisfaction and trust in the digital bank, and how these in turn influence SoW and WoM. All nine hypotheses were supported, although the effect sizes varied considerably.

Key Findings Analysis

Drivers of Customer Satisfaction

Perceived benefit ($\beta = 0.204$, $p < 0.05$) positively affected satisfaction, hence confirming H1, although the path coefficient is the lowest among the three predictors of Satisfaction. The findings show that H2 is supported, confirming the hypothesized relationship between ease-of-use and satisfaction with a stronger coefficient ($\beta = 0.274$, $p < 0.05$) than perceived benefit. Service innovation positively affected satisfaction ($\beta = 0.458$, $p < 0.05$); therefore, H3 is supported. Among the three predictors, service innovation has the strongest effect on satisfaction. Together, the three drivers explained 67% of satisfaction variance. While R^2 value is encouraging, the relative magnitudes are informative. Service innovation had a large effect ($f^2 = 0.358$), whereas ease of use ($f^2 = 0.091$) and perceived benefit ($f^2 = 0.060$) had small effects. The highest-rated service innovation indicators are measuring round-the-clock access ($M = 4.514$) and effortless transactions ($M = 4.371$), suggesting that convenience and economic benefits are now baseline expectations and therefore differentiate satisfaction less. Satisfied customers are distinguished by the breadth of services beyond core savings and deposits, such as various types of bill payments, e-wallet top-ups, mutual-fund access, and automated saving ($M = 4.058$).

Trust Transfer

As hypothesized, trust in the parent company positively influenced trust in the digital bank ($\beta = 0.372$, $p < 0.05$), therefore supporting H4. It has a strong effect size ($f^2 = 0.312$) and provides evidence consistent with trust transfer theory. Because digital-only banks have no physical branches, customers cannot directly verify service quality. They appear to rely on the parent group's reputation and familiarity as an inference cue (TPC1 = 4.108; TPC2 = 4.101). This supports [Stewart's \(2003\)](#) argument that trust transfers between closely linked entities, and this study extends it to affiliated digital banks in an emerging market.

Satisfaction, Trust, and Loyalty Behaviors

Although trust in the parent company predicts trust in the digital bank, its impact is weaker than satisfaction. The findings support H5; satisfaction predicted trust in the digital bank more strongly than trust in the parent company ($\beta = 0.574$, $p < 0.05$; $f^2 = 0.743$) than trust in the parent company ($\beta = 0.372$, $p < 0.05$; $f^2 = 0.312$). Apparently, satisfied customers have less incentive to compare alternatives, and accumulated positive experience appears to build confidence in the bank's competence and integrity. Together, trust in the parent company and satisfaction explained 74.6% of the variance in trust in digital banks, indicating that trust in digital banks forms through both a transfer-based and an experience-based route.

We also find support for H6, in which satisfaction positively affects SoW ($\beta = 0.480$, $p < 0.05$). Satisfaction also positively affects WoM, supporting H7 ($\beta = 0.312$, $p < 0.05$; $f^2 = 0.087$); however, the effect size is small. Comparing the effect size of satisfaction on SoW ($f^2 = 0.132$) with the effect size on WoM, the latter's impact is questionable, although both are statistically significant.

Differential Roles of Trust

The findings show that trust in the digital bank predicts two types of loyalty (behavioral and attitudinal), captured in this study by SoW and WoM, respectively. Trust in the digital bank has a significant positive effect on SoW ($\beta = 0.191$, $p < 0.05$; $f^2 = 0.021$), confirming H8. Although satisfaction and trust both significantly affect SoW, trust has a much smaller effect than satisfaction. This implies that loyalty, reflected in how much customers want to invest in a digital bank, stems more from positive experience (satisfaction) than from trust in a digital bank.

We also found support for H9: trust in a digital bank significantly affects the formation of WoM ($\beta = 0.517$, $p < 0.05$; $f^2 = 0.240$). Recommending a financial service carries social risk, so customers may advocate only for a bank they trust, whether offline or through online reviews. A plausible explanation is that trust functions as a hygiene factor: it is necessary for continued use but insufficient to increase wallet allocation, which customers may decide based on features, fees, and promotions, particularly when competing digital banks offer attractive deals. However, this interpretation was not tested directly and should be examined in future research.

Theoretical Implications

This study provides four theoretical implications. First, the findings provide new empirical support for trust transfer theory across platforms, including digital-only banking services. Trust toward the parent company is an important source of customer trust in digital banks. Second, our findings refine the understanding of the satisfaction-trust-loyalty chain, in which satisfaction and trust are commonly seen as precursors to loyalty, by evaluating two forms of loyalty (i.e., WoM and SoW). Third, within the S-O-R framework, the two organism states play distinct roles: SoW is strongly driven by satisfaction, while

WoM is strongly driven by trust in the digital bank. Separating SoW, measured here as self-reported perceived or intended wallet allocation, from WoM, measured as customers' willingness to recommend the bank or communicate positively about it, shows that loyalty outcomes have different antecedents. This distinction also requires caution when interpreting SoW as behavioral loyalty because the study did not measure customers' actual fund allocation. Fourth, because innovation (rather than ease of use or perceived benefit) emerged as the dominant driver of satisfaction, the study qualifies technology-acceptance explanations that emphasize ease of use.

CONCLUSION

The results show that ease of use, perceived benefit, and service innovation predict customer satisfaction. Of the three, service innovation is the strongest predictor, followed by ease of use and perceived benefit. Additionally, trust in the parent company is positively associated with trust in the digital bank. This finding directly supports the trust transfer theory. The trust customers have in the parent company is "transferred" to the digital bank affiliated with that company. This indicates that the parent company's reputation and credibility play a crucial role in building customer trust in the digital bank.

Furthermore, customer satisfaction positively and significantly influenced trust in the digital bank, share of wallet, and word of mouth. Customer satisfaction had the strongest association with trust in the digital bank, followed by SoW and WoM. Trust in the digital bank also positively influenced SoW and WoM.

Overall, this research highlights the importance of service innovation and customer satisfaction in building customer trust and loyalty toward digital bank services. Companies need to improve perceived benefit, ease of use, and innovation to increase customer satisfaction. Additionally, trust in the parent company is also important for building trust in digital banks. Trust in digital banks matters because it can influence SoW and drive positive WoM.

Given the increasingly fierce competition in the digital banking industry, these results provide management with strategic guidance for addressing customer loyalty challenges, particularly among young people who are prone to switching platforms. The main findings show that service innovation is most strongly linked to customer satisfaction, underscoring the importance of fast, practical, and digitally adaptable services. Therefore, digital banks should make innovation their primary focus to retain and attract customers, since retaining customers is more efficient than acquiring new ones. Banks should expand basic services like savings and deposits into a comprehensive financial ecosystem, including bill payment, instalment plans, and investment products such as mutual funds, bonds, stocks, and gold. Meanwhile, although ease of use and perceived benefit also influence satisfaction, their impact remains limited, indicating a need to optimize tangible benefits such as cost efficiency, promotions, and cashback. This matters for increasing usage (SoW), which can be disrupted by a mismatch between expectations and perceived benefits.

Trust in the parent company also matters in building user trust in the bank's digital services, making the group's reputation, such as Shopee (SeaBank) and CT Corp (Allo Bank), a strategic advantage. Customer satisfaction strongly predicts trust and positive WOM, making user experience management a priority. Strategies to increase WoM include referral programs, educational content, and digital communities. Conversely, low savings growth suggests challenges in building financial loyalty, which banks can address by offering competitive interest rates, auto-saving features, and simple

integration of investment products. Segmentation strategies based on income and age are crucial, with different approaches for high- and low-income groups, as well as older and younger age groups. For young people, a digital, lifestyle-based strategy and parent-company image-based campaigns are key. Thus, these findings directly address the main research problem: how to increase customer loyalty, in the form of SoW and WoM, through strategies focused on service innovation, strengthening trust in the parent company, and optimizing customer satisfaction.

LIMITATION

This study has several limitations that offer directions for future research. First, the sample was restricted to users who had transacted in the past year, which may not capture the fast-changing nature of digital banking behavior. Future studies could use shorter windows (one to three months). In addition, SoW was measured through self-reported perceived or intended wallet allocation rather than actual financial allocation. Future research could use observed account balances or transaction data to examine whether satisfaction and trust translate into actual wallet allocation. Second, respondents were identified only by their digital bank application and its parent company, without data on their use of conventional banks, which could clarify patterns of loyalty and wallet allocation. Third, the sample skews toward young and lower-income: 73.8% were under 38, which may inflate perceived ease of use, and 66.9% earned below IDR 10 million per month, which may affect sensitivity to promotions (perceived benefit) and the capacity to allocate funds (SoW). More demographically balanced samples would improve generalizability.

Theoretically, the model relies solely on the S-O-R framework. Future research could adopt a marketing funnel perspective, linking awareness and purchase intention to SoW and retention, with WoM as customer advocacy. The model also omits other determinants of satisfaction (e.g., service quality, security) and of loyalty (e.g., customer experience). Finally, future research using multigroup analysis by generation may help explain differences in behavior across generation cohorts.

ACKNOWLEDGMENT

The authors thank those who had the pleasure of cooperating during this study.

DECLARATION OF CONFLICTING INTERESTS

The authors have declared no potential conflicts of interest concerning the study, authorship, and/or publication of this article.

REFERENCES

- Al Amin, M., Muzareba, A. M., Chowdhury, I. U., & Khondkar, M. (2024). Understanding e-satisfaction, continuance intention, and e-loyalty toward mobile payment application during COVID-19: An investigation using the electronic technology continuance model. *Journal of Financial Services Marketing*, 28, 1-23. <https://doi.org/10.1057/s41264-022-00197-2>
- Alamoudi, H., Glavee-Geo, R., Alharthi, M., Doszhan, R., & Suyunchaliyeva, M. M. (2025). Exploring trust and outcome expectancy in FinTech digital payments: Insights from the stimulus-organism-response model. *International Journal of Bank Marketing*, 43(4), 897–919. <https://doi.org/10.1108/IJBM-04-2024-0252>
- Albarq, A. N. (2023). The impact of CKM and customer satisfaction on customer loyalty in the Saudi banking sector: The mediating role of customer trust. *Administrative Sciences*, 13(3), 90. <https://doi.org/10.3390/admsci13030090>

- Almansour, B., & Elkrghli, S. (2023). Factors influencing customer satisfaction with e-banking services: A study of Libyan banks. *International Journal of Technology, Innovation and Management*, 3(1), 34–42. <https://doi.org/10.54489/ijtim.v3i1.211>
- Baniasadi, N., Samari, D., Hosseini, S. J. F., & Najafabadi, M. O. (2021). Strategic study of total innovation management and its relationship with marketing capabilities in palm conversion and complementary industries. *Journal of Innovation and Entrepreneurship*, 10(1), 1–14. <https://doi.org/10.1186/s13731-021-00179-z>
- Berriche, A., Laroutis, D., & Boistel, P. (2026). Navigating experiential balance: How online banking shapes loyalty and decision-making. *International Journal of Bank Marketing*, 44(4), 680–699. <https://doi.org/10.1108/IJBM-07-2024-0416>
- Bourdeau, B. L., Cronin, J. J., & Voorhees, C. M. (2024). Customer loyalty: A refined conceptualization, measurement, and model. *Journal of Retailing and Consumer Services*, 81, Article 104020. <https://doi.org/10.1016/j.jretconser.2024.104020>
- Boustani, N. M. (2022). Artificial intelligence impact on banks' clients and employees in an Asian developing country. *Journal of Asia Business Studies*, 16(2), 267–278. <https://doi.org/10.1108/jabs-09-2020-0376>
- Chang, J.-I., & Lee, C.-Y. (2020). The effect of service innovation on customer behavioral intention in the Taiwanese insurance sector: The role of word of mouth and corporate social responsibility. *Journal of Asia Business Studies*, 14(3), 341–360. <https://doi.org/10.1108/JABS-06-2018-0168>
- Chiu, C. M., Hu, P. J. H., Hsu, J. S. C., & Lin, Y. C. (2024). The facilitators and inhibitors of customer adoption of pure internet banking: Trust transfer and status quo bias. *Journal of Organizational Computing and Electronic Commerce*, 34(2), 85–107. <https://doi.org/10.1080/10919392.2024.2315714>
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of computer technology. *MIS Quarterly*, 13(3), 319–340. <https://doi.org/10.2307/249008>
- Gong, X., Zhang, K. Z., Chen, C., Cheung, C. M., & Lee, M. K. (2020). What drives trust transfer from web to mobile payment services? The dual effects of perceived entitativity. *Information & Management*, 57(7), 103250. <https://doi.org/10.1016/j.im.2019.103250>
- Hair Jr, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). An introduction to structural equation modeling. In *Partial least squares structural equation modeling (PLS-SEM) using R: A workbook* (1–29). Springer.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Hidayat, K., & Idrus, M. I. (2023). The effect of relationship marketing on switching barrier, customer satisfaction, and customer trust on bank customers. *Journal of Innovation and Entrepreneurship*, 12, 29. <https://doi.org/10.1186/s13731-023-00270-7>
- Hui, G. K., Ariesha, H. K., Yi, G. J., Heng, G. Y., Xi, G. R., & Kee, D. M. H. (2026). Examining customer satisfaction drivers in digital banking services for young adult users. *International Journal of Accounting and Finance in Asia Pacific*, 9(1), 24–41. <https://doi.org/10.32535/ijafap.v9i1.4378>
- Ibrahim, H., Pandey, R., Kamarudin, R. S., Radzi, R. S. M., Nuo, Q., Ting, Q. X., ..., & Kee, D. M. H. (2026). Mobile banking applications and customer satisfaction: Evidence from MAE users. *International Journal of Accounting and Finance in Asia Pacific*, 9(1), 42–59. <https://doi.org/10.32535/ijafap.v9i1.4377>
- Ismulyati, S., Maria, M., Ngarbingan, H. K., & Ginting, G. (2025). Exploring the customer journey and experience in the digital banking era through the lens of online flow

- state. *International Journal of Applied Business and International Management*, 10(3), 779–802. <https://doi.org/10.32535/ijabim.v10i3.4543>
- Kaabachi, S., Ben Mrad, S., & Fiedler, A. (2020). The moderating effect of e-bank structure on French consumers' trust. *International Journal of Bank Marketing*, 38(2), 501–528. <https://doi.org/10.1108/IJBM-04-2019-0119>
- Khaled, D. A. S., Ahmed, S., Khan, M. A., Al Homaidi, E. A., & Mansour, A. M. D. (2021). Exploring the relationship of marketing and technological innovation on store equity, word of mouth, and satisfaction. *Cogent Business & Management*, 8(1), 1861752. <https://doi.org/10.1080/23311975.2020.1861752>
- Klapper, L., Singer, D., Starita, L., & Norris, A. (2025). *The Global Findex Database 2025: Connectivity and Financial Inclusion in the Digital Economy*. World Bank. <https://www.worldbank.org/en/publication/globalfindex>
- Martínez-Navalón, J.-G., Fernández Fernández, M., & Alberto, F. (2023). Does privacy and ease of use influence user trust in digital banking applications in Spain and Portugal? *International Entrepreneurship and Management Journal*, 19, 1–23. <https://doi.org/10.1007/s11365-023-00839-4>
- Mehrabian, A., & Russell, J. A. (1974). *An Approach to Environmental Psychology*. The MIT Press.
- Mukerjee, K. (2020). Impact of self-service technologies in retail banking on cross-buying and word-of-mouth. *International Journal of Retail & Distribution Management*, 48(5), 485–500. <https://doi.org/10.1108/IJRDM-08-2019-0261>
- Nguyen, G. D., & Dao, T. H. T. (2024). Factors influencing continuance intention to use mobile banking: An extended expectation-confirmation model with moderating role of trust. *Humanities and Social Sciences Communications*, 11(1), 1–14. <https://doi.org/10.1057/s41599-024-02778-z>
- Oh, Y. K., & Kim, J. M. (2022). What improves customer satisfaction in mobile banking apps? An application of text mining analysis. *Asia Marketing Journal*, 23(4), 28–37. <https://doi.org/10.53728/2765-6500.1581>
- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17(4), 460–469. <https://doi.org/10.1177/002224378001700405>
- Rahim, R. A., Bohari, S. A., Aman, A., & Awang, Z. (2022). Benefit–risk perceptions of FinTech adoption for sustainability from bank consumers' perspective: The moderating role of fear of COVID-19. *Sustainability*, 14(14), 1–24. <https://doi.org/10.3390/su14148357>
- Schiebler, T., Lee, N., & Brodbeck, F. C. (2026). Expectancy-disconfirmation and consumer satisfaction: A meta-analysis. *Journal of the Academy of Marketing Science*, 54(1), 91–112. <https://doi.org/10.1007/s11747-024-01078-x>
- Sharma, K., Licsandru, T. C., Gupta, S., Aggarwal, S., & Kanungo, R. (2020). An investigation into corporate trust and its linkages. *Journal of Business Research*, 117, 806–824. <https://doi.org/10.1016/j.jbusres.2020.06.009>
- Stewart, K. J. (2003). Trust transfer on the World Wide Web. *Organization Science*, 14(1), 5–17. <https://doi.org/10.1287/orsc.14.1.5.12810>
- Susanto, S. A., Manek, M. V., Setiawan, R. A., & Mustikasari, F. (2023). Customer experience in digital banking: The influence of convenience, security, and usefulness on customer satisfaction and customer loyalty in Indonesia. *Devotion: Journal of Research and Community Service*, 4(8), 1671–1685. <https://doi.org/10.59188/devotion.v4i8.544>
- Windasari, N. A., Kusumawati, N., Larasati, N., & Puspasuci, R. (2022). Digital-only banking experience: Insights from Gen Y and Gen Z. *Journal of Innovation & Knowledge*, 7, 1–10. <https://doi.org/10.1016/j.jik.2022.100170>
- Yulitavia, Y. (2026, July 25). *BI Catat Transaksi Pembayaran Digital Tembus Rp16,07 Miliar pada Triwulan II 2026*. Kilas Kepri.

<https://www.kilaskepri.com/nasional/74317419573/bi-catatan-transaksi-pembayaran-digital-tembus-rp1607-miliar-pada-triwulan-ii-2026>.

Zhang, L., & Kim, H. (2020). The influence of financial service characteristics on use intention through customer satisfaction with mobile fintech. *Journal of System and Management Sciences*, 10(2), 82-94.
<https://doi.org/10.33168/JSMS.2020.0206>

ABOUT THE AUTHOR(S)

1st Author

Evi Rinawati Simanjuntak is a faculty member and Head of Program of the Master of Management Program in Blended Learning at BINUS Business School, Jakarta, Indonesia. She earned her doctoral degree in Management from the Faculty of Economics and Business, Universitas Indonesia. Her research and publications focus on marketing and general management, with particular interests in digital business, interactive marketing, and sustainable marketing. Dr. Simanjuntak has co-authored Strategic Management: Firm Performance Series (2020) and The Essence of Luxury: An Asian Perspective (2016), the latter in collaboration with the Centre for Marketing Excellence at Singapore Management University.

Email: esimanjuntak@binus.edu

ORCID ID: <https://orcid.org/0000-0003-3182-0039>

2nd Author

Satya Paramadana earned his Bachelor's degree in Management from Institut Teknologi Bandung (ITB) in 2012. He has over a decade of professional banking experience at Bank Rakyat Indonesia (BRI), Indonesia's largest bank. He currently serves as a Senior Manager in the Payment Operations Division, specializing in payment system operations, including bill payments, EDC, QRIS payments, debit and credit cards, payment applications, and other electronic banking channels. He earned his Master in Management degree from BINUS Business School's Master's Program.

Email: satya.paramadana@binus.ac.id

ORCID ID: <https://orcid.org/0009-0004-6021-5094>

3rd Author

Benrik Anthony earned his Bachelor's degree in Industrial Engineering from Universitas Pelita Harapan (UPH) in 2015. He began his career in the construction industry in January in Business Development before transitioning to the finance industry (PT Inovasi Finansial Teknologi) as an Investment Specialist Manager. He later served as Assistant Vice President of Business Development. He earned his Master in Management degree from BINUS Business School's Master's Program.

Email: benrik.anthony@binus.ac.id

ORCID ID: <https://orcid.org/0009-0003-5417-5092>

4th Author

M. Fariduddin Az earned his Bachelor's degree in Informatics Engineering from Universitas Indraprasta in 2022. As a freelancer, he gained experience across various industries and technologies, which inspired him to start his own business to apply his knowledge and skills. He earned his Master in Management degree from BINUS Business School's Master's Program.

Email: m.fariduddin@binus.ac.id

ORCID ID: <https://orcid.org/0009-0009-2654-8238>