

# The Effect of Deposit Interest Rates and Availability of Banking Services on Interests in Savings

(Study at the Bank of Nusa Tenggara Timur Main Branch Office of Kupang)

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**Abstract**—This research was conducted by survey method in which the population is all customers who make transactions at the Bank of NTT Kupang Main Branch. The number of samples used was 100 people taken with a non-probability sampling method, using accidental sampling technique. Data were collected using a questionnaire and processed by multiple regression analysis. The results showed that simultaneous deposit rates, transfer services, ATM services and payment services significantly influence the interest in saving at the Bank of NTT Kupang Main Branch. Partially the transfer service and payment service variables have a positive and significant influence on saving interest in the Bank of NTT Kupang Main Branch. Whereas variable interest rates on deposits and ATM facilities have also been shown to have a significant influence on saving interest, but in a negative direction (in the opposite direction), where when deposit rates increase and better ATM facilities actually reduce the level of interest in saving at Bank NTT Main Branch Kupang.

**Keywords**—*deposit interest rates, transfer services, ATM service, payment services, interest in saving*

## I. INTRODUCTION

Banks are one of the institutions that have a very important role in encouraging the economic growth of a country, even the growth of banks in a country or region is used as a measure of economic growth in the country and region [1]. The existence of banks is recognized as a safe and profitable deposit and lending institution and is an intermediary for public financial transaction services with high ease and flexibility.

Banks have a role in two dimensions, namely collecting funds from people who are excess funds (surplus) and channeling funds to the people who need funds to meet consumption needs, business capital and investment capital in an effort to increase profits. In carrying out its function as a public fund collector with excess funds, the bank offers savings products in the form of demand deposits, time deposits, certificates of deposit, savings or can be likened to it [2]. Various types of deposits provided by banks are always accompanied by services such as interest on deposits.

In addition to the three products above, the bank also provides other services such as transfers, clearing, collections, save deposit boxes, credit cards, ATM cards, letters of credit, payment services, bank guarantees, traveler checks, bank drafts, and other bank services. Through the provision of various banking products, it will attract customers' interest to take advantage of bank services in meeting all their needs and wants to make transactions.

Savings interest is given by banks to provide stimulation to customers so that they are willing to save their funds to the bank and even increase the amount of funds deposited in the hope of getting a number of benefits in the future. Likewise, the more variety of services provided by banks will attract public interest in saving funds at banks to get transaction flexibility.

Currently, banking in Indonesia has started to develop rapidly again after the intervention of the government. To restore public trust and stimulate public interest in saving, the bank has implemented various marketing mix strategies to raise funds from the public. As for the marketing mix strategy according to Swastha and Irawan [3], namely: banks issue a variety of different kinds of savings; banks offer various interest rates; banks try to open branches in various cities to expand its network; banks offer savings accompanied by lucky draws and carry out advertisements in the mass media.

Customers saving interest is influenced by the interest rate given by the bank, both credit interest rate and savings interest rate. According to Kasmir [2], "Bank interest is remuneration provided by banks based on conventional principles to customers who buy or sell their products". The interest rate is the opportunity cost of holding money so that a higher interest rate tends to increase saving. This statement is similar to Fitriani [4]; Mushtaq and Siddiqui [5]; Salim [6], they concluded interest rate have insignificant effect on commercial bank's deposits.

The banking business is a service business based on the principle of trust, so the problem of banking services is a very

determining factor in the success of this business. According to Ibrahim [7], "Service is a dynamic condition related to products, services, people, processes and the environment in which service ratings are determined at the time the service is provided". Product attributes have a significant influence on the customer's saving interest [8]. This result is similar to Bari'ah, Abidin and Nurtjahjanti [9], they concluded there is a positive relationship between service quality with customer's interest in saving.

Previous research conducted by Cahyani, Saryadi and Nurseto [10] regarding the effect of bank interest rates and the quality of banking services on interest in saving at banks resulted in the answer that both variables had a positive effect on interest in saving. Then research conducted by Eik [11] regarding the effect of savings rates and bank services on interest in saving resulted in the conclusion that all variables have a significant positive effect, especially bank services, which greatly affect the interest in saving.

Based on previous research there are differences in research in the combination of variables used, that banking services have been widely used as research but aimed at customer satisfaction, and it is rarely combined with interest rate variables, even though these two variables greatly affect the interest in saving at the bank. Then to distinguish the previous research used the object of Bank Nusa Tenggara Timur.

Bank Nusa Tenggara Timur (Bank NTT) is the only bank owned by the NTT Regional Government which has operational areas covering all districts. The presence of Bank of NTT is expected to become a bank of public interest because it is a place to store funds, borrow and obtain various facilities through a variety of services provided. Kupang City residents who are closer to the Bank of NTT head office should choose the bank as the main bank in saving and getting various benefits. Saving funds and utilizing banking services means that the community will help develop the region.

Oesapa Village is one of the villages within Kupang City with a very high population density, because it consists of 17 Rukun Warga and 54 Rukun Tetangga, and the total population at the end of 2019 was 27,558 people. An initial survey of the community in 3 RTs showed that only a small portion of the community members saved and utilized banking services at the Bank of NTT Kupang Main Branch.

Based on the background above, the purpose of this study is to determine the effect of interest rates on deposits, transfer services, ATM services and payment services on the interest of saving the interests of the people of Kelurahan Oesapa saving and utilizing banking services provided at Bank of NTT Kupang Main Branch.

## II. LITERATURE REVIEW

### A. *Saving or Deposit*

Savings deposit, according to the Banking Act Number 10 of 1998, savings are deposits which withdrawals can only be

made according to certain conditions agreed upon, but cannot be withdrawn by check, gyro and / or other tools that can be likened to that. Deposits are funds entrusted by the public to banks in the form of demand deposits, time deposits, certificates of deposit, savings or that can be likened to it [2].

### B. *Deposit Interest Rates*

Savings interest is a certain price level paid by the bank to the customer for deposits made. Savings interest is provided by banks to provide stimulation to depositors to place their funds in the bank. Some banks provide additional interest to customers who place their funds in the form of certain deposits. This is done by banks so that customers will always increase their fund savings [1]. According to Kasmir [2] bank interest is defined as the price or repayment of services provided by banks based on conventional principles to customers who buy or sell their products. Interest rates are one of the factors that need to be considered in order to collect and distribute funds to the public. The interest rate is basically a reflection and strength of demand and supply of funds. Thus the development of interest rates reflects the level of scarcity or adequacy of public funds.

### C. *Banking Services*

Banking services are closely related to the activities of providing services in the financial sector. Banks that are able to provide complete financial services are certainly more attractive to customers. Customers will be more interested and take advantage of banking services if there are a variety of service products provided. This means that the customer's interest to save at a bank depends on the services provided at the bank [12]. According to Kasmir [2], there are many benefits or benefits that can be obtained with the product plus, namely: (a) to increase sales, (b) generate pride from customers, (c) generate trust, (d) generate satisfaction to the customer.

### D. *Interest in Savings*

According to Ahmadi [13], interest is the attitude of a person's soul, including emotions, which is focused on something, and in that relationship the strongest feeling element. While Syah [14], states that interest is a strong impulse in a person towards something. Interest is a sense of preferability and a sense of interest in a thing or activity, without anyone asking. Thus confirmed Syah [14], that simply, interest means high tendencies and activities or a great desire for something. Meanwhile, according to Kasmir [2], the term interest implies a mental device consisting of a mixture of feelings, hopes, convictions, prejudices or other tendencies that lead individuals to a particular choice. Interest is motivation that encourages people to do what they want if they are free to choose. Every interest will satisfy a need. In carrying out its functions the will is closely related to thoughts and feelings. The mind has a tendency to move in the rational sector of analysis, while feelings that are subtle / sharp crave more needs. Whereas reason functions as a reminder of thoughts and

feelings in harmonious coordination, so that the will can be regulated as well as possible. There are several stages of interest, among others: (a) Clear information before becoming a customer, (b) Careful consideration before becoming a customer, (c) Decision to become a customer.

### III. RESEARCH METHODS

Research including causal research, where this research is to identify the causal relationship between variables where the researcher intends to find the true type of fact to help understand and predict the causal relationship [15]. This study aims to determine the Effect of Deposit Interest Rates, Transfer Services, ATM Facilities and Payment Services toward Savings Interest in the Bank of NTT Kupang Main Branch.

The population in this research were all customers at Bank of NTT Kupang Main Branch in 2019, amounting to 13,276 people. Determination of respondents is carried out according to the simple random sampling method. The number of respondents determined according to Slovin in Rafael [16] of 100 people whose withdrawals used accidental sampling techniques. According to Sugiyono [17], "accidental sampling is a technique of determining a sample based on chance, that is, anyone who happens to meet a researcher can be used as a sample, if it is considered that an accidental person is suitable as a data source".

This research used a data collection technique, namely a questionnaire. This research used a test instrument, namely the validity test and the reliability test, where the results of the try out questionnaire were distributed to 30 customers, with the results of all statement items being valid and reliable, so that all statements in the questionnaire could be used. The analysis prerequisite test used was normality, multicollinearity and heteroscedasticity. Then the data were analyzed by multiple linear regression using the SPSS application.

### IV. RESULTS AND DISCUSSION

To achieve the research objectives, multiple linear regression statistical analysis is used. This statistical analysis is used to answer the problems raised, namely to determine the effect of interest rates on deposits, transfer services, ATM facilities, and payment services both partially and simultaneously on saving interest in Bank of NTT.

TABLE I. RESULT OF DOUBLE LINIER REGRESSION ANALYSIS

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,049	0,186		5,652	0,000
	X <sub>1</sub>	-0,079	0,037	-0,134	-2,129	0,036
	X <sub>2</sub>	0,357	0,078	0,482	4,576	0,000
	X <sub>3</sub>	-0,265	0,129	-0,324	-2,058	0,042
	X <sub>4</sub>	0,825	0,130	0,911	6,361	0,000

So that the regression equation is obtained as follows:

$$Y = 1,049 - 0,079X_1 + 0,357X_2 + 0,265X_3 + 0,825X_4$$

Then the calculation results presented in the above table 1 can be explained as follows:

- The constant value of the equation is 1.049. This means that if the variable Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services are considered constant, the value of Savings Interest in Bank of NTT Kupang Main Branch is 1.049, which means that customers' interest in saving is stated to be very low or very uninterested, because the constant value is included in the smallest value of the semantic differential scale used, which ranges from 1 (one) to 7 (seven).
- The influence of the Deposit Interest Rate (X<sub>1</sub>) on Savings Interest (Y) in the Bank of NTT Kupang Main Branch with the SPSS program, the regression coefficient value of -0.079 was obtained. This means that for each increase in the Saving Interest variable by 1 unit, it will reduce Savings Interest by 0.079 units assuming the other variables are fixed. In other words, if an increase of 100 percent in the Saving Interest variable can reduce Saving Interest by 7.90 percent, and vice versa if a decrease in the Saving Interest variable can increase Savings Interest in the Bank of NTT Kupang Main Branch.
- The effect of the Transfer Service (X<sub>2</sub>) variable on Savings Interest (Y) obtained a regression coefficient of 0.357. This means that for each increase in the Transfer Service variable by 100 percent, it can increase customers' Interest Savings by 35.70 percent, and vice versa if there is a decrease in the variable Transfer Services can reduce customers' Savings Interest. If related to the theory of the effect of service quality on interest that has a positive direction, then in this study it can be seen that Transfer Services has a direct effect on Savings Interest in the Bank of NTT Kupang Main Branch.
- The influence of ATM Means variable (X<sub>3</sub>) on Savings Interest (Y) obtained a regression coefficient of -0.265. This means that for each increase in ATM Means variable by 1 unit, it will decrease Saving Interest by 0.265 units assuming other variables are fixed. In other words, if there is an increase of 100 percent in the variable ATM Facilities can reduce Savings Interest in the Bank of NTT Kupang Main Branch by 26.50 percent, and vice versa if there is a decrease in the variable ATM Facilities can increase Savings Interest.
- The effect of the Payment Services variable (X<sub>4</sub>) on Savings Interest (Y) obtained a regression coefficient value of 0.825. This means that for every increase in the Payment Service variable by 100 percent, it can increase Savings Interest in the Bank of NTT Kupang

Main Branch by 82.50 percent, and vice versa if there is a decrease in the Payment Services variable, it can reduce customers' Savings Interest. If it is associated with the theory of the effect of service quality on interest that has a positive direction, then in this study it is known that Payment Services has a direct effect on Savings Interest in the Bank of NTT Kupang Main Branch.

The coefficient of determination ( $R^2$ ) basically measures how far the model's ability to explain the variation of independent variables. From the calculations using the SPSS program the following results are obtained:

TABLE II. DETERMINATION COEFFICIENT TEST RESULTS

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,945	0,893	0,888	0,19062

Based on the table 2 of the results of the multiple determination coefficient ( $R^2$ ), a value of 0.893 or 89.30 percent was obtained. Furthermore, the adjusted  $R^2$  value of 0.888 is obtained, this means that the degree of influence of each variable Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services is able to form Savings Interest in the Bank of NTT Kupang Main Branch Kupang at 88.80 percent. While the remaining 11.20 percent is caused by other variables outside the scope of the study.

Furthermore, to prove whether the variable Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services significantly influence the Saving Interest variable at the Bank of NTT Kupang Main Branch, then testing is done with the F and t test equipment. To test the presence or absence of the role of the independent variable simultaneously on the dependent variable can be determined using the F test. The following will be presented the results of the F test calculation using SPSS:

TABLE III. TEST RESULTS OF F (ANOVA TEST)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28,758	4	7,190	197,868	0,000
	Residual	3,452	95	0,036		
	Total	32,210	99			

From the table 3 above it can be seen that the F count is 197,868 with a significant level of 0,000. When compared to F the table is determined based on a table with a significant level of 5 percent and  $df_1 = (k - 1) = 4$  and  $df_2 = (n - k) = 95$ , so that the F table value of 2,470 is obtained. Because the value of Fcount is greater than Ftable ( $197,868 > 2,470$ ),  $H_0$  is rejected and  $H_a$  is accepted. This means that Savings Interest Rates, Transfer Services, ATM Facilities, and Payment Services simultaneously have a significant effect on Savings Interest in the Bank of NTT Kupang Main Branch.

Then the t test is used to see the significance of the effect of each variable between the Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services partially having a significant effect on Savings Interest in the Bank of NTT Kupang Main Branch. Following are the results of the calculation of t arithmetic and the level of significance of each variable Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services to Saving Interest variables.

For more details, the following will describe the meaning of the results of the analysis of each variable Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services for Savings Interest in the Bank of NTT Kupang Main Branch.

- The level of significance of the Saving Interest ( $X_1$ ) variable for Savings Interest (Y) at the Bank of NTT Kupang Main Branch obtained the results of data calculations with SPSS that t arithmetic for the Saving Interest variable is -2,129 with a significant value of 0.036. If the significant value achieved is 0.036, it means the error rate is less than 5 percent (0.05). Besides t arithmetic (negative) -2,129 compared to the value of t table (negative) of -1.984, then the value of negative t is smaller than the negative t table which means  $H_a$  is accepted and  $H_0$  is rejected. Thus the Deposit Interest Rate variable has a significant influence on Savings Interest in Bank of NTT Kupang Main Branch with a negative direction (opposite direction or inverse correlation).
- The significance level of the Transfer Services ( $X_2$ ) variable to the Customers' Saving Interest (Y) shows that the t count for the Transfer Services variable is 4.576 with a significant value of 0,000. If the value of t arithmetic is 4.576 compared to the value of t table of 1.984, then the value of t arithmetic is greater than t table which means  $H_0$  is rejected and  $H_a$  is accepted. This can also be seen from the comparison value between the significant values achieved at 0,000 which means the error rate is less than 5 percent. Thus the Transfer Services variable has a positive and significant effect on Savings Interest in the Bank of NTT Kupang Main Branch.
- The significance level of ATM Facility ( $X_3$ ) variable on Saving Interest (Y) at Bank of NTT Kupang Main Branch obtained the results of data calculation with SPSS that t arithmetic for ATM Facility variable is -2,058 with a significant value of 0.042. If the value of t arithmetic (negative) of -2.058 compared to the value of t table (negative) of -1.984, then the negative value of t arithmetic is smaller than the negative t table which means  $H_a$  is accepted and  $H_0$  is rejected. This can also be seen from the comparison value between the significant values achieved at 0.042 which means the error rate is less than 5 percent. Thus the ATM Means variable has a significant influence with a negative

direction on Savings Interest in the Bank of NTT Kupang Main Branch.

- The significance level of the Payment Services variable ( $X_4$ ) to Saving Interests (Y) shows that t count for the Payment Services variable is 6.361 with a significant value of 0,000. If the value of t arithmetic is 6.361 compared to the value of t table of 1.984, then the value of t arithmetic is greater than t table which means  $H_0$  is rejected and  $H_a$  is accepted. This can also be seen from the comparison value between the significant values achieved at 0,000 which means the error rate is less than 5 percent. Thus the Payment Services variable has a positive and significant effect on the Bank of NTT Kupang Main Branch.

From the test results obtained the calculated F value of 197.868 with a significance of 0.000 less than 0.05. Then it can be stated that this research proves that Savings Interest Rates, Transfer Services, ATM Facilities, and Payment Services affect Savings Interest in the Bank of NTT Kupang Main Branch together. Interest is a consumer behavior where consumers have the desire to choose, use, and consume or even want a product offered. Savings Interest in this study is influenced by four factors which include Savings Interest Rates, Transfer Services, ATM Facilities, and Payment Services.

The results of this study are relevant to previous research conducted by Eik [11] researching about "The Effect of Income, Savings Interest Rates and Automatic Teller Machines (ATM) on Savings Interests at PT BNI 46 Kupang Branch". The results showed that all independent variables simultaneously had a significant effect on Savings Interest. This result is similar to Cahyani, Saryadi and Nurseto [10], they concluded interest rates and the quality of banking services on interest in saving at banks resulted in the answer that both variables had a positive effect on interest in saving. Interest in saving customers can be influenced by promotions, promotions carried out by various methods will be a way to attract the attention of consumers. Then it will attract consumers to buy the products offered. Consumer buying interest can also be influenced by Deposit Interest Rates, Transfer Services, ATM Facilities, and Payment Services, because customers in choosing banking service products will consider the quality indicators of the banking product services. Good quality banking products will certainly have an effect on customers' Savings Interest. Savings Interest Rates, Transfer Services, ATM Facilities, and Payment Services can affect customers' Savings Interest together in this study.

The results of multiple regression analysis showed the simultaneous determination coefficient value of 0.888. This means that the four variables (Saving Interest Rates, Transfer Services, ATM Facilities, and Payment Services) are able to explain 88.80 percent change in the Saving Interest dependent variable, while the other 11.20 percent is influenced by other variables not mentioned in this study. This explains that there

are still other factors that influence customers to make choices about a banking product.

#### A. *The Effect of Deposit Interest Rates on Interests in Savings*

The results of this study indicate that the Saving Interest variable is known to have a calculated value of -2,129 smaller than -t table 1,984; means Savings Interest Rates have a significant effect on Savings Interest in a negative direction. Savings Interest Rates are able to contribute in stimulating saving interest in the Bank of NTT Kupang Main Branch. In this study, the Deposit Interest Rate is considered negative because the respondents' perception of the statement in the questionnaire about the Deposit Interest Rate is 4.63 which is the lowest score when compared with other variables.

The results of this study indicate that there is a negative relationship between Saving Interest Rates and Savings Interests, because when respondents were asked about the impact of Saving Interest Rates on their Savings Interests. Respondents dominantly answered that their Savings Interest is currently classified as low, even though the Savings Interest rate is high and raised by Bank Indonesia (BI) as the banking regulator in Indonesia. This policy has not been able to motivate people to be more diligent in saving money. They are not tempted by the high deposit interest rates offered by banks.

This is an anomaly, and it should not be so, where basically Savings Interest Rates are significantly able to increase Savings Interest, as the findings in the study of Fitriani [4] stated that savings interest rates have a positive and very significant effect on the interest of people saving in Surabaya at banks. The findings in this study are also not in line with what happened in Eik's study [11] which shows that savings interest rates have a significant effect on the positive direction of saving interest in banks in the Kupang area. The results of this study are also not relevant to previous research conducted by Salim [6] which shows that savings deposit interest rates have no significant effect on people's interest in Sidoarjo Regency to save at commercial banks.

Significant negative influence between Savings Interest Rate on Savings Interest that occurred in this study is possible due to differences in conditions that occur during the research process. Location wise, this study was conducted in the same area as Eik [11], but the results of this study are different and contrary to the findings of Eik [11], where Savings Interest Rates have a negative and significant effect on Savings Interest in Banks NTT Kupang Main Branch. The difference in results is based more on when the study was conducted, where Eik [11] conducted a study under normal conditions and the economy was still running normally and smoothly, so Savings Interest Rates had a significant effect in increasing Savings Interest. While this research was conducted in June-July 2020, where the world is being hit by a pandemic outbreak of the COVID-19 (Corona Virus Disease).

This pandemic outbreak has an impact on the economic slowdown, and in many parts of the world many countries are experiencing a recession due to the wheels of the economy that

are not running. As a result of massive and exponential transmission of the virus, many countries have implemented a lockdown policy (quarantine area) to save their citizens from the threat of death. Many companies closed and closed down, so many layoffs (Termination of Employment) due to large-scale social restrictions (PSBB), where everyone is required to remain indoors and not do activities outside the home. In a situation like this, of course the community is experiencing economic hardship, many are not earning as a result of not being able to work. While savings and various investments owned, as far as possible disbursed as the main weapon to meet their basic daily needs. Many residents who were previously high earners became unemployed. This is what underlies the significant negative influence between the Saving Interest Rate on Savings Interest, even though BI implements a high Savings Interest policy that is not able to attract the interest of the public to be diligent in saving. The opposite is happening, where people rush to withdraw their funds that have been saved to meet their daily needs while undergoing a lockdown at home due to the COVID-19 outbreak.

#### *B. The Effect of Transfer Services on Interests in Savings*

The results of this study indicate that the Transfer Services variable is known to get a t value of 4.576, the value is greater than t table 1.984 with a significant value of 0.000 which is smaller than alpha of 5 percent ( $0.000 < 0.05$ ). This means that Transfer Services have a positive and significant effect on Savings Interest in the Bank of NTT Kupang Main Branch. The better the quality of the Transfer Services offered by the Bank of NTT Kupang Main Branch, the higher the community Savings Interest. In this study, Transfer Services are considered good because respondents' perceptions of statements about Transfer Services are valued at 5.11 which is included in either category.

Consumers in determining banking services always consider matters related to the quality of transfer services offered by banks. Transfer services can reflect the ability of banking service products to help facilitate customers in carrying out their transactions. Product quality in this case Transfer Services is seen as important by customers and is used as a basis for decision making [18] in choosing banking services. The more in accordance with the stipulated Transfer Service standard, the more it is able to attract the interest in saving the community at the Bank of NTT Kupang Main Branch.

Consumers today are also very critical in choosing a banking product, the decision to use banking services is strongly influenced by the assessment of the quality of Transfer Services at each bank. When consumers are interested in using banking services, the quality of Transfer Services is the most important consideration, because Transfer Services are the main objective for customers to meet their needs in making transactions. Customers who feel comfortable with a banking service product and the product can meet their needs, the customer will be interested and choose to use the banking services. Transfer service is one of the factors that customers

consider before using banking services. Quality can be expressed as expectations and perceptions of consumers as well as actual performance [19]. The quality of the Transfer Service must be as promised by the bank in fulfilling all transaction activities of its customers.

Transfer services become a very influential factor in determining Savings Interest. According to Kotler and Armstrong [18] a product is anything that can be offered to the market in order to attract attention, acquisition, use, or consumption that can satisfy a desire or need. In the banking service products offered by the Bank of NTT Kupang Main Branch is a factor that affects the community Saving Interest, because it is seen from the quality of Transfer Services. Previous research that was studied by Eik [11] supports this finding, that Transfer Services have a significant effect on Savings Interest.

#### *C. The Effect of ATM Services on Interests in Savings*

The results of this study indicate that the ATM Means variable is known to have a calculated value of -2.058 smaller than t table of -1.984; Means ATM means a significant effect with a negative direction on Savings Interest. ATM facilities are able to make a negative contribution in stimulating the interest in saving the community at the Bank of NTT Kupang Main Branch. In this study, ATM facilities are considered unattractive because respondents' perceptions are more directed towards the CDM (Cash Deposit Machine) machine because it is related to saving businesses. Whereas ATM (Automatic Teller Machine) is more aimed at people who want to withdraw their savings funds.

The results of this study indicate that there is a negative relationship between ATM Facilities and Savings Interest. Because when respondents were asked about the impact of ATM Facilities on Savings Interest in the Bank of NTT Kupang Main Branch, most respondents answered that ATM Facilities motivated them to drain their savings funds that had been collected. With this ATM facility, they often withdraw savings funds, which of course has an impact on the depletion of their savings balances because it is greatly facilitated in withdrawing savings funds.

The results of this study are not relevant to previous research conducted by Eik [11] which shows that ATM facilities have a positive and significant effect on saving interest in the people of Kupang. While the findings in this study stated that ATM facilities had a negative effect on Savings Interest. This difference in results is made possible by the community's perception and context of understanding related to Savings Interest, where respondents perceive the need to carry out the process of depositing funds related to savings, where respondents need CDM (cash deposit machines) as a means to facilitate them in making cash deposits. While the indicators used in this study are more directed towards ATMs, where this machine actually functions as a withdrawal of savings funds. With the existence of this ATM, it does not increase the interest of the community to save, instead the ATM makes their savings balance reduced due to the

convenience provided in the process of withdrawing funds. If using the CDM indicator will produce different findings, where the machine will make it easier for customers to deposit their savings funds which of course has a positive impact in influencing customers' interest to save.

#### *D. The Effect of Payment Services on Interests in Savings*

The results of this study indicate that the Payment Services variable is known to get a t value of 6.361 that value is greater than t table 1.984 with a significant value of 0.000 smaller than alpha 5 percent ( $0.000 < 0.05$ ) means that Payment Services has a positive and significant effect on interest Savings with Bank NTT Main Branch Kupang. The better the quality of Payment Services, the higher Savings Interest in Bank of NTT Kupang Main Branch. In this study, Payment Services at the Kupang NTT Main Branch Bank were considered very good because the respondents' perception of the statement about Payment Services was 5.51 which was included in the very good category.

Customers in determining banking services are more concerned with matters relating to the quality of Payment Services for the banking services to be used. Payment services strongly reflect the ability of banking service products to facilitate customers in accessing their savings and facilitate their daily use. Payment services are needed by the community because they are able to facilitate them in conducting daily transactions related to fulfilling the necessities of life, such as making payments for electricity, water, telephone, internet, BPJS, and can be used to transact online at various marketplaces in cyberspace. The better Payment Services and in accordance with the provisions of security standards set by the government, the banking service products are considered to be of better quality.

When customers are interested in using banking services, the quality of Payment Services is the most important consideration, because Payment Services are the main goal for customers to meet their needs. Customers who feel comfortable with a product and the product can meet their needs, then consumers will be interested in using the product [20]. Payment services is one of the factors that customers consider before using a banking service product. Payment services must be as promised by the bank regarding the ability to perform all customer financial transaction activities.

#### V. CONCLUSIONS

Based on the data analysis done in the previous chapter, it can be concluded that the variable Interest Rates, Transfer Services, ATM Facilities, and Payment Services simultaneously have a significant effect on Savings Interest in Bank of NTT Kupang Main Branch. Partially the Transfer Services and Payment Services variables have a positive and significant influence on Savings Interest in the Bank of NTT Kupang Main Branch. This is evidenced by the results of the t test in which the t value is greater than the t table and also a significance value that is smaller than the error rate of 5

percent. Whereas Savings Interest Rates and ATM Facilities are also proven to have a significant influence on Savings Interest, but with a negative direction (opposite direction), where when Savings Interest Rates increase and ATM Facilities that are getting better actually reduce the level of Savings Interest in Bank of NTT Main Branch Kupang.

#### VI. SUGGESTIONS

Based on the conclusions obtained in this study, suggestions are made where the significant positive effect of this study is the variable Transfer Services and Payment Services. Thus the management of the Bank of Kupang NTT Main Branch must pay greater attention to the indicators used as a measure of the variable Transfer Services and Payment Services. The management of the Bank of NTT Kupang Main Branch must pay more attention and focus on the variable Interest Rates and ATM Facilities, because these variables actually lower the people's Saving Interest.

This research is inseparable from the limitations and weaknesses, the limitations of the study include the location of only one object (Bank of NTT Kupang Main Branch), so the results of the study cannot be generalized to a wider area. The data taken in this study was carried out in a cross section, where this research was only at one particular time, while the environmental conditions were very dynamic and quickly changed so that this research was important to do in the future.

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