

Antecedents of loyalty to bank: The role of trust in cryptocurrency and concern in investing

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ABSTRACT

In recent years, cryptocurrency has become a topic frequently discussed by investors. Cryptocurrency is a type of digital money that was first intended to be used as a medium of exchange but has since evolved into an investment tool. This study examines the influence of cryptocurrency knowledge, trust in government, transaction speed, and herding behavior on trust in cryptocurrency. The impact of trust in cryptocurrency on concern about investing, the influence of trust in cryptocurrency on loyalty to banks, the influence of concern about investing on loyalty to banks, and the impact of trust in cryptocurrency on loyalty to banks mediated by concern about investing. The research respondents were from the general public, who knew about cryptocurrency, totaling 200 respondents. This study used a purposive sampling technique via Smart PLS. The results of this research show that cryptocurrency knowledge, transaction speed, and herding behavior positively affect trust in cryptocurrencies. By contrast, trust in the government does not significantly affect trust in cryptocurrencies. Trust in cryptocurrency has a negative effect on concern about investing, trust in cryptocurrency has a negative impact on loyalty to the bank, concern about investing has a positive effect on loyalty to the bank, and concern about investing mediates between trust in cryptocurrency and loyalty to the bank.

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1. Introduction

Recently, a type of asset that can be traded under cryptocurrencies has emerged. Cryptocurrency is a digital currency designed as a medium of exchange (Moid & Jain, 2019). Cryptocurrency has a decentralized system or blockchain database that cannot be controlled by one party, thereby minimizing the risk of fraudulent transactions, and is supported by solid cryptography (Wronka, 2022). No institution or government controls cryptocurrency and uses peer-to-peer network technology or transactions without third parties and with anonymous

identities. Cryptocurrency transactions are recorded directly, spread across millions of servers (decentralized), and are transparent (Hayes et al., 2022).

Investors quoted from Bank Indonesia in 2018 use it as an investment instrument, although it is helpful as a transaction tool. This is because the value of cryptocurrencies increases over time. This relatively significant increase in value attracts investors to reap profits in a relatively short time. This is supported by the adoption of digital assets and cryptocurrency by large companies, such as Tesla, PayPal, and Microsoft (Alzahrani & Daim, 2019). These large companies use it not only as a transaction tool, but also as an investment instrument. The high-risk, high-return characteristics of cryptocurrency attract the interest of Indonesians to invest in cryptocurrency. As of 2021, Indonesia has approximately 6.5 million investors in cryptocurrency, surpassing stock investment investors, which are only worth 2.2 million, and in February 2022, this value increased to 12.4 million investors (Ekamevia & Sebayang, 2022).

Although widely used as a transaction and investment tool, cryptocurrencies have several risks that must be considered. The chances that cryptocurrency transactions may occur are things that we try to avoid investors, both those who are already actively transacting in cryptocurrency and those who are just starting (Inshyn et al., 2018). The need for knowledge about cryptocurrency, government regulations, and transaction speed can increase the risk of cryptocurrency transactions, significantly affecting the confidence of potential investors or active investors. However, many millennials and Generation Z currently believe that cryptocurrency is a modern investment asset (Patil & Gokhale, 2023). Several factors that can increase investor anxiety have influenced millennials and Generation Z to enter the cryptocurrency market. The millennial generation and Generation Z tend to prefer cryptocurrency as an investment instrument because they seek experience and feel instant profits from high transaction speeds, and the benefits of high returns from cryptocurrency because of their high volatility.

Using a conceptual framework to examine the comprehension of cryptocurrency, trust in governments, transaction speed, and problems faced by cryptocurrencies, Arli et al. (2021) analyzed the drivers of trust in cryptocurrency. The findings indicate that customer trust is positively influenced by transaction speed, government trust, and cryptocurrency comprehension. Bank client loyalty is unaffected by cryptocurrency trusts. Consequently, investment concerns significantly impact customer loyalty to banks. Additionally, prior research has demonstrated that financial concerns do not moderate the relationship between consumer loyalty to banks and cryptocurrency trust. Perayunda and Mahyuni (2022) discussed the factors influencing cryptocurrency investment decisions in Indonesia. The results of this study show that risk tolerance influences cryptocurrency investment decisions. Other findings also show that risk tolerance cannot mediate the relationship between financial experience and cryptocurrency investment decisions.

This study aimed to determine whether people can trust cryptocurrencies. It is crucial to perform this analysis to further understand the factors that affect trust in cryptocurrency, because cryptocurrency can impact the current economic system. This study uses a conceptual framework to examine the factors that affect public faith in governments, awareness of cryptocurrency, transaction speed, and cryptocurrency-related problems. Because cryptocurrency can upend the current economic system, more research is needed on how it affects consumer trust. Second, securing cryptocurrencies has become easier. For instance, several investment organizations provide Bitcoin services to make financial transactions more accessible, such as trading stocks and exchange-traded funds (Arli et al., 2021). Therefore, it is essential to examine how the government's policy affects how people perceive investing in Bitcoin. This study discusses investors' psychological factors regarding the influence of herding behavior factors on trust in cryptocurrency. The research results of Rahayu et al. (2021) reveal

that the herding factor positively influences investors' investment decision-making by tending to follow other people's actions. According to Setiawan et al. (2018), herding only significantly affects investment decisions. Vijaya (2016) explains that herding negatively influences investment decision making or tends to be rational without being influenced by what is happening in the market.

This study was conducted to determine whether consumer knowledge, trust in government, transaction speed, herding behavior, concern in investing, and loyalty to banks can influence trust in cryptocurrency. The difference between previous research and this research lies in the independent variable. In this research, the author provides an update by adding investor psychological factors regarding the influence of herding behavior factors on trust in cryptocurrency.

2. Literature Review and Hypothesis Development

2.1. Literature Review

2.1.1. Development of Cryptocurrency

According to Gowda and Chakravorty (2021), cryptocurrency creates a decentralized digital financial system built on cryptological computing. Meera (2018) argues that cryptocurrency is digital money created with sophisticated cryptographic technology. In addition, as a result, the security of transaction history records can be ensured by cryptocurrency. Transactions in this system are conducted peer-to-peer or straight from the sender to the recipient. With the aid of miners, all transactional operations will be documented in a database. Miners are specialists in the complicated computational processing needed to use cryptography to safeguard and record network transactions. With the use of virtual currency, miners will receive a commission. This innovation allows all transactions to be maintained safely without the involvement of central authorities (Aljabr et al., 2019). As cryptocurrency expand their use in financial services, they are used for investments and crowdfunding campaigns, such as the quickly growing initial coin offerings through which businesses can raise money (Elsden et al., 2018).

2.1.2. Cryptocurrency Knowledge

According to Nurhayati and Hendar (2020), cryptocurrency knowledge is an essential conceptual variable in customer behavior impacted by data collection. Higher cryptocurrency knowledge consumers will have better recognition recall, analytical, and logical abilities than lower cryptocurrency knowledge consumers. As a result, customers who believe they have superior cryptocurrency knowledge will depend on internal advice when evaluating product quality because they understand the value of product information. Cryptocurrency knowledge can be received from the product itself or via prior product usage, such as advertising, contacts with salespeople, information from friends or the media, past decision-making or use of the product, and customer recollections. During investment decision-making, knowledge about returns, risks, and types of investment products is needed to obtain a complete investment (Siahaan, 2011).

2.1.3. Trust in Government

By revealing that, as anticipated, confidence in government has a significant and overwhelmingly profitable link with trust in cryptocurrency, Arli et al. (2021) research contributes to and broadens trust in government literature. Despite being relatively young, most people will have faith in the cryptocurrency system, particularly its use in monetary policy. Consumers expect governments to provide legal resources to ensure that their wealth, privacy, and freedom from cybersecurity assaults are all safeguarded. Customers are more likely to use, invest in, and trade cryptocurrency when they believe

in the government (Arli et al., 2021). The basic conclusion of these findings is that governments should not be afraid to acknowledge, let alone hide, the reality that the Bitcoin system is now decentralized and lacks a central bank and government authority. On the other hand, governments may decide to sell, advertise, and promote cryptocurrency and other digital currencies to capitalize on their many advantages. Additionally, initiatives to recognize and use digital currencies across borders, including through central banking systems, may boost public confidence in cryptocurrency, primarily when governments govern such systems (Huang, 2019).

2.1.4. Transaction Speed

Cryptocurrency is a financial instrument whose transaction times are faster than conventional banks. This is positive news for consumers or cryptocurrency investors because they expect faster, safer, and validated financial transactions. An economic system that supports peer-to-peer transactions and enables quicker transactions across local trade, stock markets, deposits, withdrawals, foreign currencies, and international exchanges is something that banks need to provide to stay relevant and competitive. Most importantly, they must be able to communicate with vendors of coin-based digital currency (Arli et al., 2021). People in industrialized countries tend to be extremely sensitive to service speed, according to Liao and Cheung (2001). Customer satisfaction is thus greatly influenced by transaction speed as a time-saving feature. How much time is used for transactions is an indicator for measuring transaction speed. According to Rose et al. (2012), the rate of interactive transactions can be assessed by the following the pages on a website load quickly, interaction with the website runs, there is little time delay between consumer actions and the website, and the content on the website is influenced by the community that uses it.

2.1.5. Herding Behavior

According to Ahmad and Wu (2022), herding is a behavior in which people prefer to emulate the acts of others rather than following their views or the knowledge they have. Intentional herding and unintended herding are two types of herding behavior. It occurs when investors mimic other investors' actions while ignoring their data (Vedadi et al., 2021). Intentional herding occurs when there is little reliable information in the market. Investors' decisions follow other investors, not their reactions based on available information. Unintentional herding occurs when a group of investors make the same choice because they are in the same situation and have the same knowledge. In unintentional herding, investors acknowledge that the existing information is reliable (Chaffai & Medhioub, 2018). Therefore, many investors make the same decision. Both types relate to concern and information availability.

2.1.6. Trust in Cryptocurrency

The definition of usage intention measures an individual's interest in making decisions caused by certain factors. In this research, usage intention is defined as an individual's belief in the use of cryptocurrency. Several studies on trustworthiness show a substantial correlation between trust transfer from a known target to a previously unknown target (Strub & Priest, 1976; Doney et al., 1998). The transfer of trust from one entity to another depends on perceptions of proximity or entitativity, or the notion that two entities are linked and a part of a group (Campbell, 2007). In other words, if a new entity exhibits a high level of trustworthiness with other existing entities before acquiring a definition of trustworthiness, it is assumed to be trustworthy. Trustworthiness refers to the degree to which a person feels the trust target will act

reasonably, competently, honestly, and predictably in a given situation (McKnight et al., 2002a). A previous study indicated that trust influences attitude development, indirectly affecting purchase intentions (Ha & Stoel, 2009).

2.1.7. Concern in Investing

Some people may have anxiety while deciding which computer or camera to purchase, while others do not. The dispositional concern of an individual toward a task may also impact emotions of difficulty. Task anxieties might exacerbate feelings of problems because anxious people have higher negative sensations (Beck et al., 2005). For example, someone concerned about their linguistic abilities should have significant negative feelings when forced to read a complicated series of letters aloud. When asked to pick between two computers, a person apprehensive about technological abilities should suffer severe negative sensations. Feelings of worry can be one of the criteria influencing investors investing in cryptocurrency. The concern felt by cryptocurrency investors is security regarding liquidity risks to hacking. The importance of researching the level of protection, hack mitigation, risk management, and insurance services if a user's account is lost due to hacking before deciding to invest, is one way that can be done to reduce feelings of worry (Lewis, 2018). In his research, de Vries (2020) explains the weaknesses or risks of cryptocurrency. The security factor is one of the risks that investors have the potential to face. For example, there have been several hacking attacks on cryptocurrency users. Additionally, transactions via cryptocurrency could be more problematic for financial authorities to track. This can be used for criminal acts such as weapons and drug trafficking.

2.1.8. Loyalty to Bank

The financial systems used by conventional banks and cryptocurrency in Indonesia differ significantly. In the traditional financial system, banks are the party that connects transactions from one party to another. Banks protect customers' or users' assets from the threat of criminals covered and supervised by the government. Meanwhile, in Indonesia, the government only covers transactions in cryptocurrency. Therefore, if there is a threat, the risk of loss is much greater than when transacting with a conventional bank. Trust is defined by Moorman et al. (1992) as the readiness to rely on exchange partners in which one has confidence. Trust has been extensively researched in the literature on social exchange, services marketing, strategic alliance research, organizational theory, retail, and social interaction (Sherman & Sookdeo, 1992). Numerous authors have discovered a connection between loyalty and trust. Delgado-Ballester and Munuera-Alemán (2001) found that customer involvement, which is governed by trust, affects consumer loyalty positively. The relationship between trust and behavioural and attitudinal integrity was first identified by Chaudhuri and Holbrook (2001), followed by Sirdeshmukh et al. (2002) also Harris and Goode (2004).

2.2. Hypothesis Development

2.2.1. Positive Effect of Cryptocurrency Knowledge on Trust in Cryptocurrency

Many cryptocurrency users still need to know more about financial and digital currency payment systems. Users must understand how cryptocurrency work, but challenges arise when explaining to new users how cryptocurrency work (Hossain, 2021). Many cryptocurrencies are already available on the market. However, due to their distinctive features, each one is difficult to comprehend, leaving potential users with limited understanding. Customers needing cryptocurrency expertise will have more faith in brands and products (Chae et al., 2020). Meanwhile, when individuals have sufficient

knowledge, it will be easier for them to make judgments and, ultimately, decide to accept or reject.

H₁: Cryptocurrency Knowledge Has a Positive Effect on Trust in Cryptocurrency

2.2.2. Positive Effect of Trust in Government on Trust in Cryptocurrency

In terms of money and transactions, cryptocurrency and their technology are not protected, and governments frequently do not support them (Perkins, 2020). The word "currency" that comes after the prefix "crypto" denotes that cryptocurrency have the same properties and capabilities as official fiat money. The government's engagement in regulating cryptocurrency could be beneficial in fostering institutional trust and consumer confidence in peer-to-peer transaction networks. It has been suggested that governments launch their cryptocurrency to prevent the system from serving as a conduit for scammers and money launderers (Inman, 2018).

H₂: Trust in Government Has a Positive Effect on Trust in Cryptocurrency

2.2.3. Positive Effect of Transaction Speed on Trust in Cryptocurrency

Customers frequently face rising banking transaction fees and arbitrary delays in retailers' acceptance of their financial transactions. Consumers gravitate to cryptocurrency in pursuit of value and efficiency because they provide reduced transaction costs (Dierksmeier & Seele, 2018), cyber security (Wang & Vergne, 2017), and speedier transaction resolution with settlement assurances (Chiu & Koepl, 2017).

H₃: Transaction Speed Has a Positive Effect on Trust in Cryptocurrency

2.2.4. Positive Effect Herding Behavior on Trust in Cryptocurrency

According to Rahayu et al. (2021), the relationship between herding behaviour and investment decision-making can cause investors to have two approaches. First, investors are irrational in making decisions because of the instinct to herd or imitate several groups or other investors. Meanwhile, the second approach, where the transfer can be entirely rational, and there is a deliberate intention of investors to imitate each other (Ahmad & Wu, 2022). There is an essential relationship between rationality and emotion in the decision-making process, and psychological factors may be relevant to optimizing investor behavior.

H₄: Herding Behavior Has a Positive Effect on Trust in Cryptocurrency

2.2.5. Negative Effect of Trust in Cryptocurrency on Concern in Investing

Even though the public actively uses many cryptocurrency, security issues remain an issue that requires attention (Todorov, 2017). Recent evidence of hacking on cryptocurrency exchanges is the source of rising consumer worry about cryptocurrency (Girasa, 2018). Cryptocurrencies are susceptible to hacking attempts that involve ransomware, coin theft, and other methods (Chohan, 2019). Furthermore, risk-averse investors worry that they will miss out on exceptional profits that could be made if the currency unexpectedly sees significant value growth (Chang, 2018).

H₅: Trust in Cryptocurrency Has a Negative Effect Concern in Investing

2.2.6. Negative Effect of Trust in Cryptocurrency on Loyalty to Bank

In contrast to conventional banking institutions, cryptocurrency operate under a distinct structure based on decentralized trust. In general, we trust banking institutions and their databases more regarding saving money and charge that they show what we own, our transaction history, and the amount of our savings (Shareef et al., 2018). There is a new generation of customers at nonbank financial institutions due to cheap service

costs and the younger generation's emergence as digital omnivores. These customers need more devotion to both the bank and the brand. The future of conventional banking institutions may be seriously threatened by the disruptive impact that FinTech companies have on consumers (Swacha-Lech, 2017).

H₆: Trust in Cryptocurrency Has a Negative Effect Loyalty to Bank

2.2.7. Positive Effect Concern in Investing on Loyalty to Bank

Cryptocurrency transactions use a deregulated peer-to-peer process rather than a trusted intermediary authority. Customers are more likely to remain loyal to different coin-based digital currency suppliers if they do not fear investing in cryptocurrency (Unni & Rudresh, 2022). However, customers who engage in high-frequency cryptocurrency trading frequently experience anxiety and depression (Grall-Bronnec et al., 2017).

H₇: Concern in Investing Has a Positive Effect on Loyalty to Bank

2.2.8. Concern in Investing as a Mediator of Trust in Cryptocurrency and Loyalty to Bank

The value of cryptocurrency continues to experience extreme ups and downs due to the lack of a central issuer and value stability. As a result, consumers are concerned about the dependability of cryptocurrency as everyday currency (Luther, 2016). This is one of the main challenges facing cryptocurrency. According to Harwick (2016), future public trust in cryptocurrency depends on steady purchasing power and financial intermediaries that demand cryptocurrency to function as a medium of exchange. Cryptocurrency will be dependent on other non-cryptocurrency (such as US dollars fiat currency) as long as banks do not conduct cryptocurrency transactions (i.e., there is no central issuer) (Bedi et al., 2016).

H₈: Concern in Investing Mediates the Relationship Between Trust in Cryptocurrency and Loyalty to Bank

2.3. Research Framework

Figure 1 is the framework of this research. This figure shows that this research aims to examine the influence of cryptocurrency knowledge, trust in government, transaction speed, and herding behavior on trust in cryptocurrency. Apart from that, this research also discusses concerns in investing and loyalty to banks.

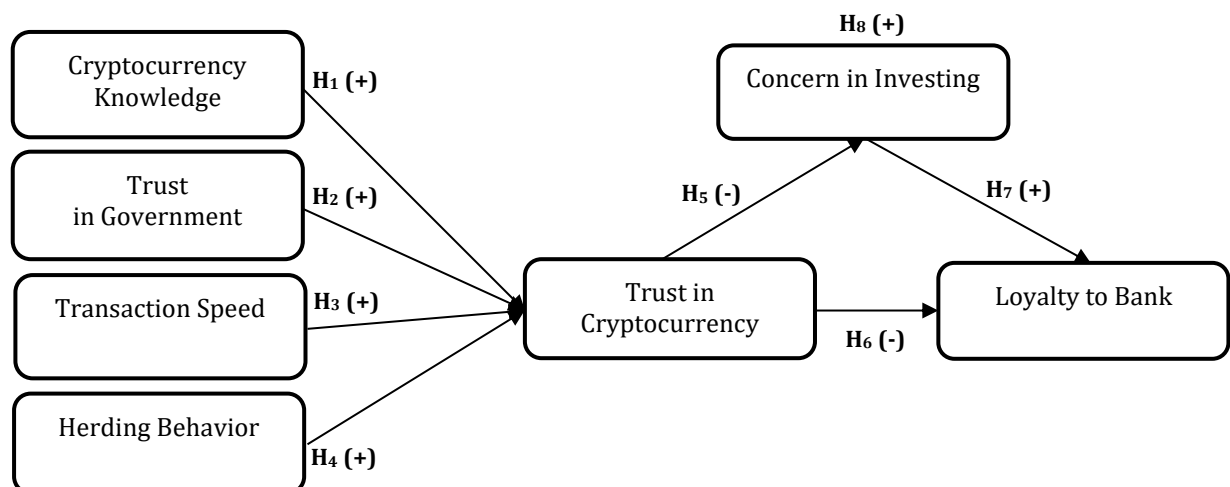


Figure 1. Research Framework

3. Research Method

3.1. Population and Sampling Method

The entire Indonesian population was the study's target group. Purposive sampling is the chosen sample approach for this study since it uses a nonprobability sampling method because the exact population size is unknown (Darwin et al., 2021). Purposive sampling is the determination of samples with specific considerations and has characteristics related to the criteria created (Darwin et al., 2021). 200 respondents met the requirements and prerequisites: The general public in Indonesia, at least 18 years old, understands or is interested in cryptocurrency transactions and investments.

3.2. Data Collection Method

The online questionnaire was given to respondents by the criteria, and the Likert scale was utilized as the variable measurement in this study. The data in this study come from primary sources. Quantitative research refers to a methodology that aims to quantify data and use specific statistical analyses. A Likert scale of seven points is used in this study. The seven-point Likert scale can improve precision and reduce measurement errors (Munshi, 2014). The cryptocurrency knowledge (PK) variable consists of six indicators adapted from Hadar et al. (2013). Trust in Government (TG) consists of three indicators adapted from Arli et al. (2021). The transaction speed (ST) variable consists of four indicators adapted from Rose et al. (2012). The herding behavior (HB) variable consists of three indicators adapted from Zakirullah and Rahmawati (2020). Trust in cryptocurrency (TC) consists of three indicators adapted from Arli et al. (2021). Concern in Investing (CI) comprised three indicators adapted from Lewis (2018). The loyalty to banks (LB) variable consists of three indicators adapted from Evanschitzky et al. (2012).

3.3. Data Analysis Method

3.3.1. Validity Test

A concurrent validity test is used to determine the degree to which theories can jointly explain the variance of an indicator. The outer loading or loading factor parameters measure the convergent validity test. If the loading factor value is more significant than 0.7, a measure of concurrent validity is considered to have been met and valid (Ghozali & Latan, 2015).

3.3.2. Reliability Test

The composite reliability test indicates how much a measuring device may be trusted and dependent upon. The reliability level is considered good when Cronbach's alpha and composite reliability values are more significant than 0.7. Another indicator of internal consistency dependability is Cronbach's alpha, which uses the same cutoff as composite reliability (Hair et al., 2020).

3.3.3. Hypothesis Test

In this study, the significant value produced by the Smart PLS output using the bootstrapping approach is used to assess the hypotheses. The precision of estimations is represented nonparametrically via the bootstrapping method. In the bootstrapping procedure, the p value determines whether to accept the hypothesis. According to the criteria for accepting or rejecting an idea, if the p value < 0.05, then the hypothesis is accepted (Hair et al., 2020).

4. Results and Discussion

4.1. Validity Test

Figure 2 is the result of convergent validity testing. The Figure 2 show the loading factor values of all indicator variables: cryptocurrency knowledge, trust in government, transaction speed, herding behavior, trust in cryptocurrency, concerns in investing, and loyalty to banks. According to the convergent validity test results in Table 1, all manifest variables have loading factor values greater than 0.7. That indicates all indicators in the study variables fulfil convergent validity, and no one failed.

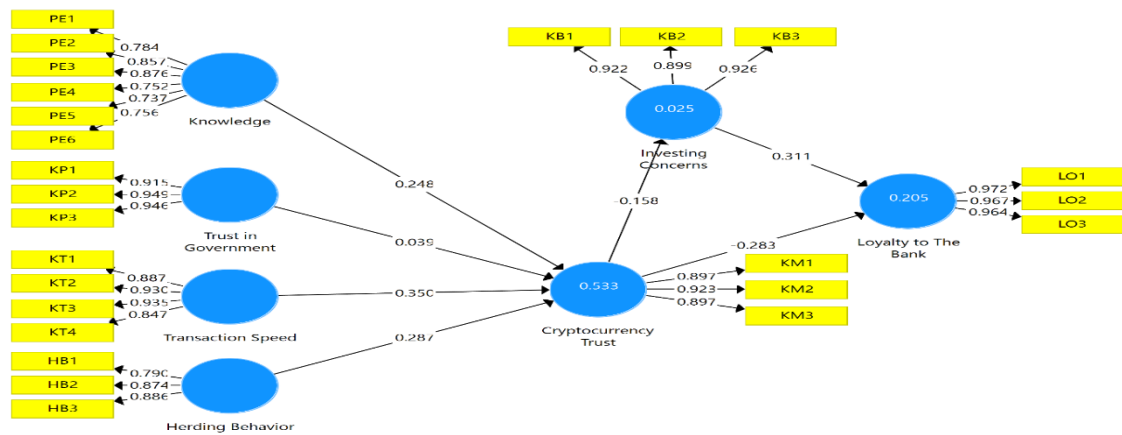


Figure 2. Measurement Model

Table 1. Validity Test Result

Indicator	Cryptocurrency Knowledge	Trust in Government	Transaction Speed	Herding Behavior	Trust in Cryptocurrency	Concern in Investing	Loyalty to Bank
CK 1	0.784						
CK 2	0.857						
CK 3	0.876						
CK 4	0.752						
CK 5	0.737						
CK 6	0.756						
TG 1		0.915					
TG 2		0.949					
TG 3		0.946					
TS 1			0.887				
TS 2			0.930				
TS 3			0.935				
TS 4			0.847				
HB 1				0.790			
HB 2				0.874			
HB 3				0.886			
TC 1					0.897		
TC 2					0.923		
TC 3					0.897		
CI 1						0.922	
CI 2						0.889	
CI 3						0.926	
LB 1							0.972
LB 2							0.967
LB 3							0.964

Source: Primary Data Processed (2023)

4.2. Reliability Test

Table 2 shows that all variables in reliability testing using Cronbach's alpha and composite reliability have values greater than 0.7. Therefore, the tested variables were deemed dependable.

Table 2. Result of Reliability Test

Variable	Cronbach's Alpha	Composite Reliability
Cryptocurrency Knowledge	0.883	0.912
Trust in Government	0.930	0.955
Transaction Speed	0.922	0.945
Herding Behavior	0.812	0.887
Cryptocurrency Trust	0.891	0.932
Concern in Investing	0.922	0.950
Loyalty to Bank	0.912	0.944

Source: Primary Data Processed (2023)

4.3. Hypothesis Test

Table 3 shows the results of hypothesis testing in this study. Based on the eight hypotheses formed in this study, one hypothesis is rejected, namely the second hypothesis. The mediation hypothesis in this study has also proven to be accepted or concern with investing in mediating the effect of trust in cryptocurrency on loyalty to banks.

Table 3. Result of Hypothesis Test

Hypothesis	Original Sample	Sample Mean	Standard Deviation	T Statistic	P Value
Cryptocurrency Knowledge → Trust in Cryptocurrency	0.247	0.249	0.090	2.739	0.006
Trust in Government → Trust in Cryptocurrency	0.037	0.039	0.068	0.542	0.588
Transaction Speed → Trust in Cryptocurrency	0.351	0.341	0.107	3.268	0.001
Herding Behavior → Trust in Cryptocurrency	0.288	0.292	0.059	4.860	0.000
Trust in Cryptocurrency → Concern in Investing	-0.221	-0.220	0.071	3.099	0.002
Trust in Cryptocurrency → Loyalty to Bank	-0.106	-0.104	0.050	2.092	0.037
Concern in Investing → Loyalty to Bank	0.646	0.643	0.056	11.628	0.000
Trust in Cryptocurrency → Concern in Investing → Loyalty to Bank	0.143	-0.142	0.050	2.848	0.005

Source: Primary Data Processed (2023)

4.3. Discussion

4.3.1. The Effect of Cryptocurrency Knowledge on Trust in Cryptocurrency

It has been established that this research is consistent with studies by Arli et al. (2021); Nurhayati and Hendar (2020), which claim that consumers are more likely to trust a product if they have a greater level of understanding about it. The cryptocurrency knowledge in this research concerns cryptocurrency, such as the types in circulation and how to buy, hold, and trade them. This knowledge can increase the likelihood that consumers trust and invest in it.

4.3.2. The Effect of Trust in Government on Trust in Cryptocurrency

The findings of this study differ from those of Arli et al. (2021) and Huang (2019), who find a solid and positive association between consumer trust in the government and purchasing behavior. According to studies that show a strong and positive correlation, people are far more inclined to use, invest in, and trade cryptocurrencies when the state regulates the system. The findings of this study are consistent with those of Hardiningsih and Yulianawati (2011), who found that knowledge and comprehension of government legislation have little impact on behavior. This indicates that, in this research, new findings state that trust in the government is not considered the primary factor consumers consider in trusting cryptocurrency.

4.3.3. The Effect of Transaction Speed on Trust in Cryptocurrency

The results of this research are in line with a study conducted by Arli et al. (2021) and Rose et al. (2012), which states that transaction speed positively and significantly influences trust in cryptocurrency. The research also explains that short transaction speeds are positive news for consumers to help increase their confidence in cryptocurrency because consumers expect a fast, safe, and validated financial system.

4.3.4. The Effect of Herding Behavior on Trust in Cryptocurrency

The results of previous research on herding behavior in Indonesia by Vedadi et al. (2021) and Sari (2013) using secondary data show that there is herding behavior in investment decision-making in Indonesia. However, according to the research results of Pranyoto et al. (2020), herding behavior does not influence cryptocurrency investment decisions. Pranyoto et al. (2020) explain that investors tend to be rational in making investments because other investors do not affect them and do not follow market trends. Meanwhile, in this study, investors tend to be influenced by other investors and follow currents or directions in the market to minimize possible risks.

4.3.5. The Effect of Trust in Cryptocurrency on Concern in Investing

Based on the test results in this study, the influence of cryptocurrency trust on research by Beck et al. (2005) shows that worry increases feelings of difficulty. However, this statement is not in line with the results of the present study. This research aligns with the results of Ha and Stoel (2009), who state that when an individual has a high sense of trust, it reduces the risk of uncertainty or worry. This shows that an average person who has confidence in cryptocurrency tends not to worry about cryptocurrency because, in this context, cryptocurrencies are still new, so worries are just expectations. This is proven in this study, which states that people who trust cryptocurrency have a low level of concern about cryptocurrency.

4.3.6. The Effect of Trust in Cryptocurrency on Loyalty to Bank

The findings of this study differ from those of Arli et al. (2021). The idea that trust in cryptocurrency hurts loyalty to Bis was rejected by Arli et al. (2021). Delgado-Ballester and Munuera-Alemán (2001) discovered that consumer involvement moderated the effect of trust on customer loyalty. Trust is correlated with both behavioral and attitudinal loyalty (Sirdeshmukh et al., 2002; Harris & Goode, 2004). According to this study, consumers are less loyal to banks when they believe in cryptocurrencies. This results from people switching to cryptocurrency rather than banks due to their awareness of it, confidence in the government, and quickness.

4.3.7. The Effect of Concern in Investing on Loyalty to Bank

The findings of this study are consistent with those of Arli et al. (2021) and Lewis (2018), who show that investor concern can affect bank loyalty. According to McKnight et al. (2002b), targets of trust act in some circumstances with goodness, skill, honesty, and predictability. Therefore, investors tend to trust more trusted systems, such as banks, when concerned about cryptocurrencies. Public concerns regarding the fluctuating value of crypto and the risk of hacking applications make people loyal to banks because transactions at banks are considered lower risk.

4.3.8. The Effect of Concern in Investing as Mediator of Trust in Cryptocurrency on Bank Loyalty

Research conducted by Ha and Stoel (2009) stated that when an individual has a high sense of trust, it reduces the risk of worry. This contradicts the findings of Arli et al. (2021), who claim that distrust of cryptocurrency does not affect a person's allegiance to banks. According to this study, as people have more faith in cryptocurrency, they are less concerned about making investments and less likely to stick with their banks.

5. Conclusion

Considering the outcomes of the data analysis tested in this study, it can be concluded that the variables knowledge, transaction speed, and herding behavior have a significant influence on trust in cryptocurrency, while trust in government does not have a substantial impact on trust in cryptocurrency. Trust in cryptocurrency significantly influences concerns regarding investing. Trust in cryptocurrency has a significant effect on bank loyalty. Concerns about investing significantly affect bank loyalty. The association between faith in cryptocurrency and bank loyalty is mediated by concerns about investing. This study examined bank loyalty and cryptocurrency trust. Future studies should include more bank loyalty and cryptocurrency trust variables to present a more complex picture. For statistics to accurately represent a larger population, future studies should also use more research samples.

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