

Factors Affecting Millennials' Decision to Choose a Mortgage and Trust as a Mediator

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Abstract

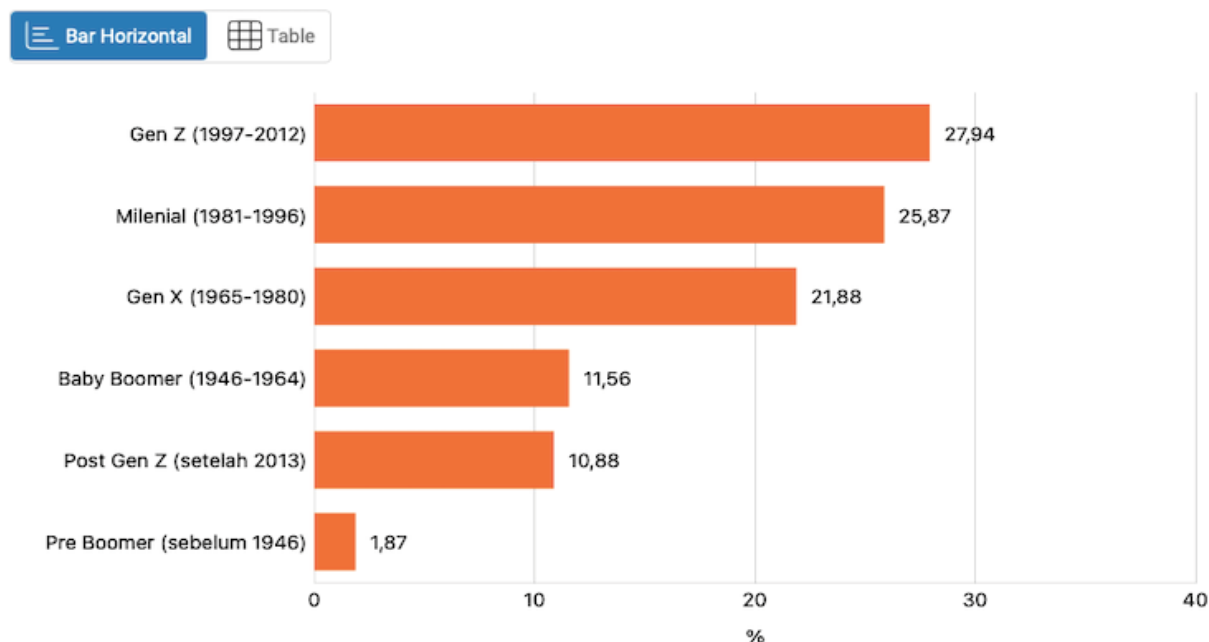
This study aims to analyze and find out the factors that affect the decision of the millennial generation both partially and simultaneously in choosing mortgage products. The number of samples in this study was 215 respondents. The sampling technique uses random sampling. The data collection technique in this study uses a questionnaire. The analysis used in this study is multiple linear regression analysis. The results of the study show that the price level variable does not have a significant effect on the customer's decision to choose a mortgage product, but after there is a confidence variable, it becomes influential. Then the variables of service quality and procedures do not have a significant effect on the customer's decision to choose a mortgage product after the trust variable as a mediator.

Keywords: Promotion, Price, Service, Procedure, Trust, Decision Making, KPR, Millennial Generation

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PRELIMINARY

Based on the 2020 Population Census by the Central Statistics Agency (BPS), the Millennial Generation which includes individuals born between 1981 and 1996 represents 25.87% of the total population of Indonesia, equivalent to 69.38 million people. The Millennial generation is in the age range of 28 to 43 years. Together with Generation Z (born 1997-2012), these two groups make up the largest proportion of generation in Indonesia. (Source: [Databoks](#))



The millennial generation born between the early 1980s and the mid-1990s currently dominates the property market in Indonesia. With unique characteristics that prioritize experience, flexibility, and technology, this generation has different preferences in choosing financial products, including mortgages.

In the first quarter of 2023, the growth of the Home Ownership Loan (KPR) market in Indonesia showed a positive trend despite experiencing a slight slowdown compared to the previous period. The total value of mortgage loans and Apartment Ownership Loans (KPA) grew 7.25% year-on-year (yoy), down slightly compared to the growth of 7.79% (yoy) in the fourth quarter of 2022. In terms of credit disbursement on a quarterly basis

(quarter-to-quarter/qtt), mortgages and mortgages increased by 1.68% in the first quarter of 2023, but this figure was lower than the growth of 2.77% in the previous quarter. (Source: [Central Statistics Agency](#))

Overall, despite slower growth compared to the previous quarter, the mortgage market in Indonesia in the first quarter of 2023 still showed positive growth. However, the decline in residential property sales and the slowdown in mortgage credit growth suggest that there are challenges that need to be overcome to drive stronger growth in the sector.

In 2023, the Home Ownership Loan (KPR) market in Indonesia showed positive growth. Bank Indonesia data indicates that the total value of mortgages and Apartment Ownership Loans (KPA) in July 2024 grew by 13.6% year-on-year (yoy), an increase compared to a growth of 10.6% yoy in July 2023. This growth was mainly driven by an increase in mortgages which grew 13.9% yoy in July 2024, up from 10.9% yoy in July 2023. Meanwhile, KPA also increased, growing 7.1% yoy in July 2024 compared to 5.5% yoy in the same period the previous year. Specifically, the highest mortgage growth occurred in large-type houses (building area >70 m²), which grew 19.7% yoy in July 2024, up from 14.6% yoy in July 2023. Medium-type houses (building area of 22-70 m²) also showed positive growth of 12.9% yoy, with the largest proportion of mortgage distribution, which is 65.4% of the total mortgage. However, small houses (building area ≤21 m²) contracted by 7.5% yoy, after previously growing 49.9% yoy in July 2023. (Source: [Bank Mandiri](#))

In terms of prices, the Residential Property Price Index (CPI) in the fourth quarter of 2023 grew by 1.74% yoy, slightly lower than the previous quarter's growth of 2.00% yoy. (Source: [Tempo](#))

In recent years, the Home Ownership Loan (KPR) market in Indonesia has shown significant growth. Bank Indonesia data revealed that in the first quarter of 2024, residential property sales increased by 31.16% year-on-year (yoy), jumping from the previous quarter's growth of 3.37%. (Source: [Bank Indonesia](#))

Bank Negara Indonesia (BNI) recorded mortgage loan disbursement of IDR 54.5 trillion in the first quarter of 2023, growing by 8% (yoy). (Source: [Kontan Finance](#)). This growth was supported by an increase in mortgage disbursement by banks. As of February 2024, the banking mortgage portfolio reached IDR 687.5 trillion, growing 12.61% compared to IDR 640 trillion in the same period the previous year. Bank Tabungan Negara (BTN) as the leader of the mortgage market recorded a total mortgage disbursement of IDR 257.9 trillion at the end of 2023, up 10.4% from IDR 233.6 trillion in 2022. Subsidized mortgages contributed Rp161.7 trillion, growing 10.9% yoy, while non-subsidized mortgages reached Rp96.17 trillion, up 9.5% yoy. Bank Central Asia (BCA) also showed positive performance with the distribution of new mortgages worth IDR 40.9 trillion throughout 2023, an increase of 8% from the previous year. BCA's total outstanding mortgages as of the end of 2023 reached IDR 121.8 trillion, growing 11.7% yoy. (Source: [Kontan Finance](#))

In the context of increasingly fierce banking competition, understanding the factors that affect the millennial generation's decision to choose a mortgage is very important. Previous research (Wijayanti & Hidayat, 2020; Annisa et al., 2021) have shown that promotion and service quality have a significant influence on the millennial generation's interest in sharia mortgage products. However, this research has limitations in terms of generalization because it focuses on specific market segments.

Competition in the banking industry is getting tighter, encouraging banks to understand the factors that affect millennials' decisions in choosing a mortgage. Previous studies have identified several key factors, such as promotion, price, quality of service, and ease of procedure. The Trust acts as a bridge that connects millennials' perception of various factors (promotions, prices, services, procedures) with their decision to choose a mortgage. This trust is not only trust in the product, but also in the banking institution itself. However, research that specifically examines the influence of these factors on the context of the Indonesian mortgage market is still limited.

The purpose of this study is to analyze in depth the level of trust as a mediator between the influence of promotions, price levels, services, and procedures on the millennial generation's decision to choose a mortgage. By understanding the most influential factors, it is hoped that this research can contribute to developers and banks in designing more effective marketing strategies to attract the interest of the millennial generation.

LITERATURE STUDY

The Millennial generation's confidence in choosing a mortgage at a bank is greatly influenced by promotions, service quality, and trust. Research shows that effective promotional strategies and high quality of service are crucial in appealing to this demographic, as they tend to prioritize these factors when making financial decisions. An effective promotional strategy has a positive impact on millennials' interest in mortgage products (Princess et al., 2023) and (Mulyadi et al., 2022). Promotions that align with their values, such as religious considerations in Islamic banking, can increase their engagement (Princess et al., 2023).

H1 shows that promotion has a positive and significant effect on trust

The effect of price on confidence when choosing a mortgage varies, involving the interaction between borrower characteristics, market conditions, and perceived risks associated with mortgage products. Trust plays a crucial role in decision-making, especially in high-risk financial environments such as mortgage selection. The following sections outline the key aspects of this relationship. Price Sensitivity and Mortgage Choices, Research shows that prices do not directly influence online purchasing decisions, but trust mediates this relationship (Murwatingsih & Apriliani, 2013). In mortgage selection, borrowers often exhibit price sensitivity, especially in high-appreciation markets where the attractiveness of mortgages with adjustable interest rates increases due to the perceived short-term benefits (Furlong & Takhtamanova, 2012) and (Furlong *et al.*, 2014).

H2 indicates that the price has a positive and significant effect on confidence

High quality of service is essential; Studies show this significantly influences customer interest and decision-making processes (Mulyadi *et al.*, (2022), Simangunsong & Harahap (2022)). Millennials expect responsive and personalized service, which can build their confidence in choosing a bank for their mortgage needs (Rafika *et al.*, 2024).

H3 shows that service quality has a positive and significant effect on trust

The procedure for choosing a mortgage significantly affects trust, as it involves many factors that can affect the customer's decision-making process. Procedural fairness and transparency are essential in building trust between customers and financial institutions. The mortgage application process, when considered fair and transparent, can increase trust and encourage customers to engage in trustworthy behavior. This is especially important in the context of financial decisions, where trust plays an important role in the willingness to work together and commit to long-term financial obligations. Below are key aspects of how the procedure affects confidence in choosing a mortgage. Procedural Fairness and Trust, Procedural fairness is an important determinant of trust. When customers perceive the mortgage application process as fair, they are more likely to trust the institution and proceed with the mortgage application (Müller *et al.*, 2008). Experiments have shown that changes in perceived fairness can directly influence trust assessments and trust behaviors, highlighting the importance of maintaining fairness in procedural aspects (Müller *et al.*, 2008). The role of Bank Trust, trust in the bank itself is an important factor that influences the decision to choose a mortgage. A study on Indonesian consumers found that bank trust mediates the relationship between personal trust, product quality, and purchase intent (Nugroho *et al.*, 2023). A transparent and fair procedure can increase bank trust, which in turn can positively influence a customer's decision to choose a mortgage (Nugroho *et al.*, 2023). The Importance of Clear Procedures, clear and well-structured procedures are essential to minimize risks and ensure a smooth mortgage application process. This not only helps in building trust but also in maintaining a cooperative relationship between banks and debtors (Defitri *et al.*, 2023). The application of prudential principles in these procedures can further enhance trust by demonstrating the bank's commitment to minimize risk (Defitri *et al.*, 2023). While procedural fairness and transparency are essential, it's also important to consider the role of personal trust and product quality in influencing mortgage decisions. These factors, along with the procedural aspect, collectively contribute to the overall trust and decision-making process in choosing a mortgage (Nugroho *et al.*, 2023).

H4 shows that the procedure has a positive and significant effect on trust

The decision-making process of millennial customers when choosing a mortgage at a bank is greatly influenced by promotions, price levels, service quality, and credit procedures. These factors interact to shape customer perceptions and ultimately their choices. An effective promotional strategy is essential; They significantly influence customer credit decisions, as evidenced by research that shows that promotional efforts lead to increased purchase intent among millennials (Simangunsong & Harahap, 2022). Promotions that align with millennial values, such as sustainability or technology, can increase engagement and trust in banks (Nugroho *et al.*, 2023). Promotion plays an important role in attracting the attention of the millennial generation. They tend to be responsive to marketing campaigns that are creative, relevant, and utilize digital platforms.

H5 shows that promotion has a positive and significant effect on decision-making

Competitive pricing is the main determinant; Studies show that lower interest rates and favorable pricing strategies attract millennial customers (Lowu) *et al.*, 2024). Price sensitivity among millennials suggests that banks should offer transparent and attractive pricing structures to secure their business (Suryanto *et al.*, 2024). **Pricing tier** is also a major consideration, but not the only factor. Millennials often look for added value from the products they buy, so they not only consider the price, but also other benefits that they get.

H6 shows that price has a positive and significant effect on decision-making

High quality of service is essential; This has been shown to positively influence customer decisions, with millennials valuing responsive and personalized service (Gusmao *et al.*, (2023); Simangunsong & Harahap (2022)). The digitalization of banking services has increased expectations for service quality, making it an important factor in customer loyalty (Suryanto *et al.*, 2024). **Good quality of service** It is highly expected by the millennial generation. They want fast, easy, and personalized service.

H7 shows that service quality has a positive and significant effect on decision-making

Efficient credit procedures improve the customer experience, facilitate smoother transactions, and positively influence mortgage decisions Lowu *et al.*, 2024). Efficient processes are particularly appealing to millennials, who prefer a fast and hassle-free banking experience (Gusmao *et al.*, 2023). **Ease of procedure** is also a key factor. The complicated and convoluted mortgage application process can make the millennial generation reluctant to continue the process.

H8 shows that the procedure has a positive and significant effect on decision-making

Personal trust and bank trust are essential for millennials, as they look for a reliable institution for significant financial commitments (Nugroho *et al.*, 2023). Conversely, while promotion, quality of service, and trust are essential, factors such as interest rates and loan terms also significantly influence millennial mortgage decisions, indicating a diverse decision-making process.

H9 shows that trust has a positive and significant effect on decision-making

Trust plays an important mediating role in how millennials navigate their mortgage choices, influenced by a variety of factors such as personal trust, bank trust, and external economic conditions. The interaction of these elements shapes their decision-making process, which ultimately affects their homeownership aspirations. Trust in banks plays a mediating role in the relationship between service quality and the decision to obtain a mortgage. Personal and Bank Trusts: Research shows that personal trusts significantly affect bank trusts, which in turn affects millennials' mortgage purchase intentions. The bank's strong reputation fosters confidence, leading to a higher likelihood of mortgage acquisitions (Nugroho *et al.*, 2023). Corporate Image and Security: Trust in financial institutions is also shaped by the company's image and their security measures. Positive word-of-mouth and perceived security increase trust, which mediates loyalty and decision-making in mortgage selection (Purwanto *et al.*, 2020). Financial Resources: Millennials face unique challenges, such as student loan debt and fluctuating net worth, that affect their mortgage decisions. Trust in financial institutions can reduce concerns about credit accessibility and financial stability (Cent *et al.*, (2015); Jeong & Chung, 2022). Market Conditions: The volatility of the housing market and strict mortgage regulations further complicate millennials' choices. Trust in the borrowing process can reduce the fears associated with these external pressures (Mitra & Walczak, 2012); (Jeong & Chung, 2022). Conversely, while confidence is an important factor, some argue that external economic conditions, such as rising housing prices and strict regulations, could overshadow confidence in influencing mortgage decisions. This perspective highlights the complexity of the decision-making landscape for millennials.

H10 shows that the Influence of Promotion on decision-making through trust

H11 shows that the Effect of Price on decision-making through trust

H12 shows that service quality influences decision-making through trust

H13 indicates that the influence of the process on decision-making through trust

RESEARCH METHOD

The research was conducted to analyze the factors that affect the millennial generation in choosing a mortgage. The location was carried out in the Greater Malang area which includes Malang City, Malang Regency, and Batu City in East Java Province, by visiting several marketing housing galleries, banks, and property exhibition events that will be used as a population. The sampling technique used in this study is incidental sampling. Incidental sampling is a technique for determining samples based on chance, anyone who happens to meet a suitable person as a data source and by chance/coincidence meets a researcher can be used as a sample (Sugiyono, 2017).

Since the number of the population is unknown, the number of samples is determined using opinion (Hair *et al.*, 2015), if the population is unknown, then sample withdrawal can be done using a size of 5-10 multiplied by the number of question items. In this study, the number of question items is 35 items, so the sample in this study is 215 (5x43) respondents. Data collection by distributing questionnaires. Data analysis uses SPSS model, Multiple Regression 2 and hypothesis testing.

Descriptive statistics with a total of 215 samples. With 98 men and 117 women, there were 191 married respondents and 24 single respondents in the sample. All respondents already have jobs. From an educational background, there were 26 respondents from high school, 4 respondents from diplomas, 173 respondents from bachelors, and 12 respondents from masters or doctorates. All respondents have been screened as millennials aged between 30 and 45 years.

RESEARCH RESULT AND DISCUSSION

This study uses 215 samples found in several marketing galleries of housing exhibitions, banks, and properties spread across the Greater Malang region which includes Malang City, Malang Regency, and Batu City in East Java Province. From the process of analyzing the path model using the SPSS program, the researcher found the following results:

Table 1. Results of Model 1 Dual Linear Analysis

Kind	Standard Coefficient Beta	T	Sig.
Promotion (X1)	0,313	5,735	0,000
Price (x2)	0,226	4,018	0,000
Quality of Service (x3)	0,208	4,373	0,000
Procedure (x4)	0,219	4,814	0,000
<i>Dependent Variables</i>	Trust (Z)		
R	0,782		
R2	0,743		
R2Customized	0,722		
Count ^F	94, 618		
<i>Probability</i>	0,000		
<i>Line Equation</i>	$Z = PZX1 + PZX2 + PZX3 + PZX4 + e$		
<i>Result</i>	$Z = 0.413 X1 + 0.276 X2 + 0.408 X3 + 0.379 X4 + e$		

The results of the model 1 path coefficient test and the significance of all variables showed that the significance value was 0.000. It can be concluded that all variables have a significant effect on trust. The sum of R2 or Rsquare is 0.743, which means that the contribution made by each of the analyzed variables to confidence is 74.3% and the remaining 25.7% is the contribution of other variables not analyzed in this study. The regression output of model 1 obtained a calculated F value of 94.618 and a significance value of 0.000, which means that promotion, price, service quality, and procedures together affect trust.

Table 2. Results of Linear Analysis of Multiple Models 2

Kind	Standard Coefficient Beta	T	Sig.
Promotion (X1)	0,215	2,427	0,021
Price (x2)	-0,178	-1,236	0,166
Quality of Service (x3)	0,314	4,173	0,000
Procedure (x4)	0,322	4,754	0,000
Trust (Z)	0,280	5,645	0,000
<i>Dependent Variables</i>	Decision Making (Y)		
R	0,860		
R2	0,639		
R2Customized	0,623		
Count ^F	73,476		
<i>Probability</i>	0,000		
<i>Line Equation</i>	$Y = PYX1 + PYX2 + PYX3 + PYX4 + PYZ + e$		
<i>Result</i>	$E1 Y = 0.225 X1 - 0.078 X2 + 0, 354 X3 + 0.372 X4 + 0.580 Z + e$		

The results of the model 2 path coefficient test and the significance of all variables showed that the significance value was 0.000. It can be concluded that all variables have a significant influence on decision-making. The sum of R2 or Rsquare is 0.739, which means that the contribution made by each of the analyzed variables to decision-making is 73.9% and the remaining 26.1% is the contribution of other variables that were not analyzed in this study. The regression output of model 2 obtained a calculated F value of 73.476 and a

significance value of 0.000, which means that promotion, price, service quality, procedure and trust, together influence decision-making.

Furthermore, the results of hypothesis testing in this study can be seen in the following table:

Table 3. Hypothesis test

Hypothesis	Direct Effects	Indirect Effects	Result
X1 → Z	0,313		Sig.
X2 → Z	0,226		Sig.
X3 → Z	0,208		Sig.
X4 → Z	0,219		Sig.
X1 → Y	0,215		Sig.
X2 → Y	-0,178		Not Sig.
X3 → Y	0,314		Sig.
X4 → Y	0,322		Sig.
Z → Y	0,280		Sig.
X1 → Z → Y		0.313 x 0.280 = 0.593	Sig.
X2 → Z → Y		0.226 x 0.280 = 0.063	Sig.
X3 → Z → Y		0.208 x 0.280 = 0.058	Not Sig.
X4 → Z → Y		0.219 x 0.280 = 0.061	Not Sig.

DISCUSSION

The effect of promotion on trust

This promotional factor has a significant effect on the millennial generation's confidence in choosing Home Ownership Loans (KPR) products. Various forms of promotion, such as advertising in electronic and print media, conveying clear information, as well as offering price discounts, down payment discounts, and lower interest rates during promos, greatly affect the confidence of this generation. It is possible that effective promotions can attract attention and increase their interest in choosing mortgage products. Research shows that the right promotion strategy can increase the awareness and confidence of millennials in choosing mortgage products and this research is in line with previous findings (Princess *et al.*, (2023); Mulyadi *et al.*, (2022), which shows that promotional factors have a positive impact on the millennial generation's confidence in choosing mortgage products.

Effect of price level on confidence

This price factor has a significant effect on the confidence of the millennial generation in choosing Home Ownership Loans (KPR) products. In this context, the price includes not only the interest rate offered, but also administrative fees, notary fees, and other costs associated with applying for a mortgage. Several points that explain the influence of price on customer confidence. Value Perception, in this case, customers tend to compare mortgage prices from various banks. If a bank offers lower interest rates and more transparent fees, customers will be more likely to trust the bank. Research by Huang *et al.*, (2019) shows that a good perception of the value of the price can increase customer confidence in financial institutions. Cost Transparency is Clarity and transparency in the cost structure of mortgages is very important. Customers who feel that they get clear information and there are no hidden costs will be more confident in choosing a mortgage product from the bank. Khan *et al.*, (2020) in their study found that cost transparency has a positive effect on customer trust. The impact of interest rates such as competitive interest rates can increase customer confidence. Research by Sari and Rahardjo (2021) shows that lower interest rates not only attract customer interest, but also increase their trust in banks as reliable institutions. Comparison with Competitors In this case, customers often make price comparisons between various banks. If the bank offers a better price compared to its competitors, this can increase customer confidence. Wang *et al.*, (2020) found that favorable price comparisons can increase customer trust in banks.

The effect of service quality on trust

The service quality factor has a significant influence on the confidence of the millennial generation in choosing Home Ownership Loans (KPR) products. Service quality refers to the customer's perception of the level of excellence of a product or service compared to its expectations. In the context of mortgages, service quality includes various aspects, such as the friendliness of the officers in the way bank officers greet and serve customers, the speed of response in such a way that the waiting time to get information or solutions to problems can be fast, having the expertise or ability to provide clear explanations and answer customer questions, reliability such as the bank's ability to fulfill promises and commitments. This research is in line with previous findings (Mulyadi *et al.*,

2022); (Simangunsong & Harahap, 2022), which shows that promotional factors have a positive impact on millennials' confidence in choosing mortgage products.

Influence of procedures on trust

Procedural factors have a significant effect on the millennial generation's confidence in choosing Home Ownership Loans (KPR) products. Complicated, convoluted, and non-transparent procedures can reduce customer trust in banks. On the contrary, simple, efficient, and transparent procedures can increase trust and encourage customers to choose mortgage products. Procedures are very important to build trust such as procedures that are easy to understand and follow give a signal that the bank values the customer's time and convenience, reduce uncertainty such as Clear and transparent procedures reduce uncertainty and risks felt by customers, increase satisfaction such as Smooth mortgage application process will increase customer satisfaction, differentiate yourself from competitors such as banks that have simpler procedures and efficient will be more attractive to customers. This research is in line with previous findings (Nugroho *et al.*, 2023); (Rafika *et al.*, 2024), which shows that promotional factors have a positive impact on millennials' confidence in choosing mortgage products.

The influence of promotion on decision-making

The promotion factor has a significant effect on the millennial generation's decision to choose a Home Ownership Credit (KPR) product. Various forms of promotion, such as advertising in electronic and print media, conveying clear information, as well as offering price discounts, down payment discounts, and lower interest rates during promos, greatly influenced the decisions made by this generation. This may be due to the high consumer interest in the discounts offered, so events that offer discounts can make it easier for millennials to choose mortgage products. This research is in line with previous findings (Simangunsong & Harahap, 2022); (Nugroho *et al.*, 2023); (Princess *et al.*, 2023); (Ratih, 2024), which shows that promotional factors have a positive impact on millennial customers' decisions in choosing mortgage products.

The Influence of Price on Decision Making

The price level factor does not have a positive impact on the millennial generation's decision to choose a Home Ownership Loan (KPR) product. This can be seen from the negative score generated between the price factor and the customer's decision, which indicates that the effect is not significant. Various indicators related to price factors such as low administrative costs, minimal late payment fines, affordable mortgage prices, fixed installments, flexible financing ceilings, and fixed interest rates for two years are not enough to attract the attention of the millennial generation. They don't seem to be too affected by the prices offered, reasonable administration fees, as well as the quality of the products accordingly. These findings are also not in line with previous research (Suryanto *et al.*, 2024), which shows that the price factor affects millennials' decisions in choosing mortgage products.

The effect of service quality on decision-making

This study reveals that a number of service factors, such as speed, responsiveness, clarity of information, confidentiality, friendliness, and ease of communication, have a positive effect on the choice of the millennial generation in choosing a mortgage product. This finding is in line with the results of previous research by Simangunsong & Harahap (2022); Gusmao *et al.* (2023); Suryanto *et al.* (2024). Good and friendly service creates a sense of comfort for the millennial generation, encouraging them to choose mortgage products. Responsiveness in communicating and conveying clear and friendly information is a key element that can influence customer decisions. Therefore, the better the quality of service provided, the more likely the millennial generation is to choose a mortgage product. In other words, quality service can be a determining factor in the millennial generation's decision regarding mortgage products.

Influence of procedures on decision-making

Procedural factors have a significant positive influence on the millennial generation's decision to choose a mortgage product. This can be seen from the high score that shows a constructive impact. The simple mortgage application process, transparency regarding contracts, and uncomplicated requirements make the millennial generation feel more comfortable and easy to qualify. This convenience is very felt for them when choosing a mortgage product. This study empirically supports previous findings that procedural factors do influence the decision to choose a mortgage product. Thus, it can be concluded that the easier the procedures and requirements are, the higher the likelihood that the millennial generation will make a decision in choosing a mortgage product. Therefore, it is very important to continue to improve and refine the existing procedures and requirements, in

order to attract more millennials to choose the mortgage products offered. This finding is in line with the results of previous research by Gusmao *et al.*, (2023).

The influence of trust on decision-making

Trust is the main foundation in the relationship between customers and banks. When a person decides to take out a mortgage, which is a long-term financial commitment, their level of trust in the bank becomes a determining factor. This trust is not only based on the mortgage product itself, but also on the reputation and services provided by the bank as a whole. Trust is very important in choosing a mortgage for a Long-Term Commitment because a mortgage is a long-term financial product. Trust ensures that the customer is confident that the bank will always be there for them during the loan period, then Financial Risk like Buying a house is one of the biggest financial decisions in a person's life and trust reduces the risk felt by the customer, then Loyalty like Customers who believe in the bank tend to become loyal customers and recommend the bank to others, then there is also Customer Satisfaction such as high trust will increase customer satisfaction with the Bank's products and services. This finding is in line with the results of previous research by Nugroho *et al.* (2023).

The influence of promotion on decision-making through trust

Promotion is one of the effective marketing tools to attract consumer interest, including in choosing mortgage products. Promotion can influence purchasing decisions lies in the role of trust as a mediating variable. Trust acts as a bridge that connects promotions carried out by banks with the customer's final decision to choose a mortgage product. Creating Perception Promotion can be interpreted as an effective promotion that will create a positive perception about the bank and the mortgage products offered. This positive perception can be in the form of an innovative, trusted bank image, or offering solutions that suit customer needs. Perception Building Trust, The positive perception formed from the promotion will have an impact on the level of customer trust in the bank. The more positive the customer's perception, the higher their level of trust. Trust Influences Decisions, A high level of trust will encourage customers to make decisions about choosing mortgage products from banks. Customers who believe in banks will be more likely to choose mortgage products offered by banks. The Importance of Trust as a Mediation Variable is Distinguishing the Effects of Promotions that can be interpreted Not all promotions will succeed in influencing purchase decisions. Trust as a mediating variable helps explain why some promotions are effective and others are not. Building Long-Term Relationships: Trust built through effective promotion will be the foundation for long-term relationships between banks and customers. Then Increase Loyalty, Customers who have a high level of trust tend to become loyal customers and recommend the bank to others. These findings are in line with previous research Ijevleva & Sloka (2012); Solihin (2020); Utari & Rapida (2023); Feather *et al.* (2024), which shows that the price factor affects millennials' decisions in choosing mortgage products.

The influence of price on decision-making through trust

Price is one of the main factors that consumers consider when choosing products, including mortgage products. However, the effect of price on purchasing decisions is not simple. Consumer trust in a product or brand is often the bridge between price decisions and purchases. Price Creates Value Perception: Competitive pricing or attractive price promotions can create the perception that the product has high value. Perception builds trust, Positive value perception will increase consumer confidence in the product. Consumers tend to believe that competitively priced products offer value for money. Trust Influences Decisions, High trust will encourage consumers to make purchase decisions. Consumers who believe in a product will be more likely to choose it, although there are other options that may be cheaper. The application can be by providing Low Interest Promotions, attractive low interest promotions will create the perception that banks offer competitive products. This positive perception will increase customer confidence, so they are more likely to choose mortgage products from banks. Price comparison, Consumers often compare the prices of mortgage products from various banks. If a bank offers a lower price than its competitors, consumers are more likely to believe that the bank is more profitable. The Importance of Trust as a Mediation Variable is differentiating the effect of price, not all price decreases will have a direct impact on increasing sales. Trust as a mediating variable helps explain why price reductions on some products are more effective than others. Building Long-Term Relationships: Trust built through competitive pricing will be the basis for long-term relationships between banks and customers. Increase loyalty, Customers who feel that they get good value from mortgage products tend to become loyal customers. These findings are in line with previous research Coulibaly & Li (2009); Furlong & Takhtamanova (2012); Gifari *et al.* (2020); Rosmayasari *et al.* (2024), which shows that the price factor influences millennials' decisions in choosing mortgage products through trust as a mediating variable.

The effect of service quality on decision-making through trust

Trust as a Mediation Variable does not affect the millennial generation to choose mortgage products. Researchers found new findings, it turns out that what distinguishes the influence of service quality, not all service quality improvements will have a direct impact on increasing sales. Because the trust factor is to build a long-term relationship and with a long process, trust built through good service quality will be the foundation of a long-term relationship between the Bank and customers. The millennial generation can make a choice of mortgage products if they immediately feel the quality of the services provided such as good service is not only limited to meeting the basic needs of customers, but also creates a positive and memorable experience. The friendliness of the officers, the speed of response, and the ease of procedures, will form a positive perception in the minds of customers about the bank. There must be a trust factor for them in determining mortgage products. These new findings are not in line with previous research Buchori & Harwani (2021); Rafika *et al.* (2024), which shows that service quality affects millennials' decisions in choosing mortgage products through trust as a mediating variable.

The Influence of Procedures on Decision Making through Trust

Trust as Mediation The variable between the procedures and decisions of the millennial generation in choosing a mortgage product has no effect. Not all simplification of procedures will have a direct impact on increasing sales. Trust as a mediating variable helps explain why simplifying procedures on some products is more effective than others. The trust factor will have an impact if the procedures carried out such as reviewing the mortgage application procedure and identifying steps that can be simplified, utilizing technology to speed up and simplify the mortgage application process, for example through mobile applications or e-forms, increasing transparency by providing complete and easy-to-understand information about mortgage products and application procedures, then training bank officers to provide explanations and answers customer questions patiently. If this procedure is implemented, it can foster the confidence level of the millennial generation to choose a mortgage product. These new findings are not in line with previous research Siahaan *et al.* (2021); Rizki and Sari 2022; Xuanna & Shiwei, 2022; (Defitri *et al.*, 2023); (Nugroho *et al.*, 2023), which shows that the procedure has no effect on millennials' decisions in choosing mortgage products through trust as a mediating variable.

CLOSING

Conclusion

Concluding the study, the researcher found that out of 13 hypotheses, only 3 hypotheses were insignificant. The researcher found that the price variable does not affect the millennial generation's decision to choose a mortgage product, so the service quality variable and procedures through trust also do not affect the millennial generation's decision to choose a mortgage product. And other variables studied, have a significant influence on the millennial generation's decision to choose mortgage products through trust as a mediating variable. The new finding in this study is that the price variable does not affect the millennial generation's decision to choose a mortgage product, but through trust as a mediating variable greatly influences the millennial generation's decision to choose a mortgage product.

Limitations and advice

While promotion is very important, some studies show that factors such as service quality and brand image also have a significant impact on customer decisions. For example, a lack of trust can lead customers to look for alternatives, suggesting that promotion alone may not be enough without a strong foundation of service quality

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