

Branch Marketing and Financial Literacy Strategies to Increase Digital Gold Savings Adoption: A Qualitative Study of PT Pegadaian (Gegerkalong & Ledeng Branches, Bandung)

Myisha Azlia Nafhatus Sofa¹, Talita Ardra Widyadhana², Alivia Alviasari³, Maya⁴, Hasna Maisya Nazhirah⁵, Fitriana Kurniati⁶

¹²³⁴⁵⁶Faculty of Economics and Business Education, Universitas Pendidikan Indonesia, Dr Setiabudi Street No. 229, Bandung

E-mail: myishaazlia@upi.edu; talita.ardra.w@upi.edu; alivia.alviasari13@upi.edu; maya17@upi.edu; hsnmaisya@upi.edu; fitriana.kurniati@upi.edu

ABSTRACT

This study investigates the branch-level marketing and financial literacy strategies implemented by PT Pegadaian, particularly at the Gegerkalong and Ledeng branches in Bandung, to enhance customer adoption of the Digital Gold Savings product. Using a qualitative descriptive approach, data were collected through in-depth interviews, direct observation, and documentation involving marketing staff and branch managers responsible for product promotion. The data were analysed through reduction, display, and triangulation, using a thematic analysis framework to ensure the validity and credibility of the findings. The results reveal that ease of access, transactional flexibility, and Pegadaian's image as a state-owned enterprise are the main drivers encouraging adoption, while limited investment literacy and persistent perceptions of Pegadaian as a conventional pawnshop act as barriers. The study highlights that combining personalised financial education with digital marketing initiatives effectively increases customer interest and trust in gold savings products. It recommends continuous financial literacy programmes, improvement of digital service features, and youth-oriented marketing strategies to support sustainable financial inclusion. The research contributes to the growing literature on branch-level financial inclusion strategies by offering empirical evidence of how microfinance institutions integrate personal and digital approaches to promote innovative financial products.

Keywords: Branch Marketing; Financial Literacy; Digital Gold Savings; Adoption Strategy; Financial Inclusion

INTRODUCTION

The accelerating pace of digital transformation in the financial services industry has fundamentally reshaped the way individuals manage savings and investments, particularly in emerging economies. In Indonesia, the integration of digital platforms into financial systems has been strategically positioned as a key enabler of national financial inclusion. Through mobile-based and branch-supported services, the public can now access various investment and savings instruments with low capital and minimal administrative barriers. One of the most notable examples of this innovation is PT Pegadaian's Digital Gold Savings programme, which allows individuals to invest in gold through micro-savings schemes either via online applications or directly at Pegadaian branches. This initiative not only supports the government's financial inclusion agenda but also represents the institution's strategic response to the digital economy era and the changing expectations of modern consumers. In Indonesia, digital financial services (FinTech) play a key role in efforts to achieve broader financial inclusion, especially for underserved segments such as women. Access through digital services has proven to be a way to increase ownership and utilisation of financial products (Malik & Annuar, 2021).

However, despite the increasing public interest in investment and digital finance, the adoption rate of digital gold savings products remains suboptimal. While the product offers accessibility and affordability, challenges persist regarding public awareness, digital literacy, and trust in electronic transactions. Digital transformation, particularly in financial services (FinTech), has changed the way people invest. However, the adoption of FinTech, even for relatively simple products such as digital gold savings, is greatly influenced by the level of financial literacy and saving habits of the public, especially in the post-pandemic era (Nugraha, 2024). Several previous studies have reported that low levels of financial literacy significantly influence individuals' willingness to adopt new financial products (Rahmawati et al., 2021; Susanto & Sari, 2022). Financial literacy encompasses not only knowledge, but also attitudes and behaviours that influence individual investment decisions. Research shows that strong literacy has a positive and significant impact on investment decisions, including on digital platforms and among students (Anggraeni & Putra, 2025). Moreover, behavioural barriers, including perceptions of risk and complexity, tend to discourage potential investors, especially among middle- and lower-income groups (Nasution et al., 2023). Conceptually, it is important to understand the process of financial literacy adoption itself. A systematic review presents a theoretical model that emphasises financial literacy adoption as a critical prerequisite for promoting economic stability and financial inclusion across populations (Gallegos et al., 2025). In the context of FinTech adoption, an individual's ability to accept and tolerate financial risk (Financial Risk Tolerance) is an important element that moderates the relationship between financial literacy and the decision to use FinTech services. Higher literacy helps individuals manage this perception of risk (Majid et al., 2022). Empirical studies in the capital market show that risk perception and risk

tolerance have a positive and significant influence on investment decisions. This means that a good understanding of the risks involved will actually improve the quality of investment decisions made by investors (Rizky & Diyan, 2019). In the specific context of PT Pegadaian, another unique barrier is the institution's historical image as a conventional pawnshop, which has led to a perception gap between its traditional brand identity and its new digital financial products (Kurniawan & Parnawi, 2023). This perception has been found to particularly affect younger, more digitally literate customers, who often associate modern investment products with fintech start-ups rather than state-owned financial institutions. PT Pegadaian, as a state-owned enterprise, has strategic value that exceeds that of private companies. In the context of the digital era, state-owned enterprises that go public need to enhance their role and image in optimising culture-based and legally certain businesses, which indirectly strengthens public trust in the digital products they offer (Ariffin & Renaldy, 2023).

Existing research on financial inclusion and digital financial services has focused mainly on macro-level phenomena, such as the adoption of digital banking, peer-to-peer lending, and mobile payment systems (Putri & Wardhana, 2020; Zhao & Li, 2023). In contrast, there is still limited empirical evidence regarding how branch-level marketing and financial literacy interventions can jointly influence customer adoption of digital investment products. The branch remains a critical touchpoint in Indonesia's financial ecosystem, especially for microfinance institutions where personal interaction and trust-building are vital for customer engagement. Understanding how local branches translate corporate digitalisation strategies into community-based marketing initiatives can therefore provide valuable insights into effective hybrid business models that combine personal and digital approaches.

In this regard, PT Pegadaian presents a particularly relevant case for analysis. As one of Indonesia's oldest state-owned financial institutions, Pegadaian has embarked on an extensive digital transformation journey while retaining its physical branch network as a medium for customer education and service delivery. The company's Digital Gold Savings programme exemplifies a hybrid model that leverages both digital platforms and face-to-face interactions to reach diverse demographic segments. Investigating how branch offices design and implement marketing and literacy strategies to enhance customer adoption can contribute to the understanding of how traditional financial institutions reposition themselves within the digital economy.

Therefore, this study aims to examine the marketing and financial literacy strategies adopted by PT Pegadaian's Gegerkalong and Ledeng branches in Bandung to increase the adoption of the Digital Gold Savings product. It seeks to identify the key drivers and barriers affecting customer engagement and to evaluate how branch-level initiatives integrate personalised education and digital promotion in enhancing customer trust and product utilisation. The findings of this study are expected to contribute theoretically by extending the discourse on financial inclusion through branch-based hybrid marketing models, and practically by providing policy and managerial recommendations for state-owned enterprises transitioning towards digital financial services.

METHOD

This research employed a qualitative descriptive approach to investigate how branch-level marketing and financial literacy strategies are designed and implemented by PT Pegadaian's Gegerkalong and Ledeng branches in Bandung to enhance customer adoption of the Digital Gold Savings product. The qualitative design was selected because it enables an in-depth exploration of social and organisational processes that cannot be fully captured through quantitative methods. It focuses on understanding the meanings, behaviours, and experiences of participants involved in promoting and managing the product, as well as the contextual dynamics that shape its implementation within the institutional structure of a state-owned enterprise.

PT Pegadaian, operating under Indonesia's Ministry of State-Owned Enterprises, has undergone a strategic transformation from a conventional pawn-based service provider into a digitally oriented microfinance institution. The Digital Gold Savings product represents one of its major innovations, aimed at promoting investment accessibility through small-scale gold savings that can be conducted via mobile applications or in physical branches. The research was conducted between January and March 2025 at the Gegerkalong and Ledeng branches, both in Bandung, West Java. These two branches were chosen because they represent urban service areas with diverse customer characteristics while maintaining similar operational frameworks, thereby allowing for comparative insights within the same organisational environment.

Participants were selected through purposive sampling to ensure data were drawn from individuals directly engaged in marketing and customer education activities. Six participants were interviewed, including two branch managers, three marketing officers, and one customer service representative, all with at least 2 years of professional experience in gold-based financial products. Data collection involved three complementary techniques: in-depth interviews, direct observation, and document analysis. Semi-structured interviews were guided by a set of open-ended questions covering topics such as marketing strategies, literacy programmes, challenges in adoption, and public perceptions of digital transformation. Each interview lasted approximately 45 to 60 minutes and was conducted in person at the respective branch office. Observations were performed to document branch activities, customer interactions, and the use of promotional materials, while internal documents, marketing content, and reports were analysed to support triangulation.

All interview transcripts were read repeatedly to identify initial codes, which were then categorised into broader themes that reflected strategic approaches and adoption barriers. Coding and data reduction were conducted manually, supported by matrix displays to identify recurring patterns and relationships across data

sources. Triangulation among interview, observation, and document data enhanced the reliability and credibility of the findings. To ensure research trustworthiness, several validation strategies were implemented, including member checking by providing participants with summaries of interpretations for confirmation, and peer debriefing to minimise subjective bias. Ethical clearance was obtained from the Universitas Brawijaya Research Ethics Committee, and all participants provided informed consent prior to data collection. Anonymity and confidentiality were strictly maintained throughout the study.

RESULTS AND DISCUSSION

The findings of this study reveal that the success of PT Pegadaian's Digital Gold Savings programme at the branch level is primarily determined by local managers' and marketing officers' ability to integrate personalised customer engagement with digital promotional efforts. Through interviews and field observations, several dominant themes emerged that characterise the branch strategy, including accessibility and convenience, personalised education, digital promotion, and customer perception management. Each theme illustrates how branch-level initiatives play a crucial role in aligning institutional digital transformation with community-based trust-building processes.

Accessibility and convenience were identified as the most influential factors in encouraging customer adoption. Respondents consistently noted that the ability to open a gold savings account with minimal initial capital and to conduct transactions either online or at a nearby branch significantly enhanced customer participation. This finding supports previous research by Nasution et al. (2023), who found that perceived accessibility and transaction flexibility strongly affect investment decisions in microfinance settings. Public interest in Pegadaian's Gold Savings product is driven not only by price or promotions, but also by the ease of the system and the security factors inherent in the institution (Nisa et al., 2024). Moreover, the dual-channel model—supporting both digital and in-person transactions—was viewed as an essential feature for customers still transitioning between traditional and digital financial systems. Specifically for Pegadaian's Gold Savings product, digital services have been proven to have a significant influence on customer investment interest. This highlights that the ease and quality of digital platforms are key factors in attracting new users to gold investment products (Nazmi & Pinem, 2023).

Personalised financial education was also found to be a critical driver in strengthening customer trust and understanding of the product. Marketing officers emphasised the importance of direct socialisation activities, including small-group discussions, in-branch demonstrations, and educational sessions within local communities. These activities not only increased awareness but also allowed potential customers to clarify misconceptions about the nature of gold investment and the reliability of digital transactions. This finding aligns with the argument of Rahmawati et al. (2021) that financial literacy serves as a mediating factor between trust and adoption in emerging-market financial innovations. However, despite these efforts, the branches still faced significant challenges reaching younger, digitally-savvy audiences, who often perceived Pegadaian as outdated compared to fintech competitors. Millennials, as the main target market for digital products, have predictable investment intentions based on behavioural models such as the modified Theory of Reasoned Action. Cognitive and social factors are very dominant in shaping their investment decisions (Sumiati et al., 2021).

Digital promotion, mainly through social media platforms such as Instagram, WhatsApp broadcasts, and local influencers, played a complementary role in the marketing process. The branches actively adapted corporate digital materials into locally relevant content to appeal to community preferences. Although digital campaigns successfully generated visibility, conversion into active users remained limited. This reflects the pattern identified by Zhao and Li (2023), who observed that digital exposure alone does not guarantee adoption unless accompanied by trust-building mechanisms. Consequently, the study found that combining face-to-face engagement with digital outreach produces a synergistic effect, where personal trust is transferred into digital confidence.

Another recurring theme concerns the persistent public perception of Pegadaian as a conventional pawnshop rather than a modern financial institution. Both branch managers reported that this institutional legacy remains a structural barrier, particularly when attempting to position the Digital Gold Savings product as an investment instrument rather than a pawn-based service. To overcome this, the branches have gradually rebranded their communication by highlighting Pegadaian's status as a state-owned enterprise committed to financial inclusion and modernisation. While this strategy has improved institutional credibility, altering deeply rooted perceptions requires sustained educational and promotional consistency.

Overall, the results indicate that branch-level implementation of hybrid marketing strategies—integrating personalised education, community engagement, and digital promotion—effectively increases customer awareness and trust in digital investment products. However, the public's limited financial literacy, coupled with institutional inertia toward traditional perceptions, continues to constrain the scalability of adoption. These findings reinforce the notion that digital transformation in state-owned financial institutions cannot rely solely on technological infrastructure but must also invest in human-centred communication and educational initiatives to build long-term confidence among micro-investors.

CONCLUSION

This study explored how PT Pegadaian's Gegerkalong and Ledeng branches in Bandung implement marketing and financial literacy strategies to enhance customer adoption of the Digital Gold Savings product. The findings reveal that successful adoption is influenced not only by technological innovation but also by the extent of financial literacy, personal engagement, and institutional credibility. Accessibility, flexibility, and trust emerged as the most significant enablers, while limited literacy and the lingering perception of Pegadaian as a conventional pawn institution remain significant barriers to broader participation.

The results indicate that hybrid strategies combining personalised education and digital promotion effectively strengthen customer confidence and product understanding. Direct social interaction remains indispensable in the Indonesian financial context, where community-based communication supports digital adoption. Branch-level officers act as key mediators, translating institutional digitalisation goals into localised, trust-based actions that resonate with customers.

Theoretically, this study contributes to the discourse on financial inclusion by demonstrating how branch-level strategies function as localised instruments for advancing digital adoption within state-owned financial institutions. It emphasises that digital transformation must integrate human trust and behavioural adaptation alongside technological progress. Practically, the findings suggest that consistent financial literacy initiatives, adaptive community engagement, and coherent institutional branding are essential to reinforce customer trust and sustain participation in digital investment services.

This research acknowledges its scope limitations, focusing only on two urban branches that may not fully represent Indonesia's diverse socio-economic contexts. Although qualitative methods offer depth, they restrict generalisability. Future research should employ mixed-methods approaches to quantify the determinants of adoption and examine the long-term behavioural effects of financial literacy interventions across varied regions.

In conclusion, the study underscores that human-centred engagement is fundamental to digital financial transformation. Technology alone cannot ensure adoption without sustained trust and literacy development. By harmonising digital innovation with personal interaction, institutions like PT Pegadaian can strengthen financial inclusion, empower communities, and foster more resilient participation in the evolving digital economy.

REFERENCES

- Anggraeni, F., & Putra, A. (2025). The Impact of Financial Literacy, Financial Behavior, and FinTech Adoption on Investment Decisions Among University Students. *Jurnal Ilmiah Bisnis dan Ekonomi Asia (BIJAK)*, 21, (1), 180-189.
- Ariffin, T. B. B., & Renaldy, R. (2023). Meningkatkan Peranan Perusahaan Bumh Yang Sudah Go Publik Dalam Mengoptimalkan Pengelolaan Bisnis Berbasis Budaya Dan Kepastian Hukum. Audi Et AP: *Jurnal Penelitian Hukum*, 2, (01), 36-43.
- Gallegos, A., Valencia-Arias, A., Rodríguez Zavala, L. A., Rodríguez-Correa, P. A., Martínez Rojas, E., & Castañeda Rodríguez, L. D. R. (2025). Adoption of financial literacy: Systematic literature review and proposal of a theoretical model. *Journal of Infrastructure, Policy and Development*, 9, (1), 9840.
- Kurniawan, H., & Parnawi, E. (2023). Pendampingan Program Literasi Untuk Mendukung Optimasi Strategi Pemasaran Pada PT. Pegadaian Cabang Kalianyar. *Jurnal Pengabdian Kepada Masyarakat (SAWALA)*, 2, (1), 1-10.
- Majid, S. S. S., Qureshi, A. Z., Iqbal, N., & Aamir, M. (2022). Financial Literacy and Adoption of Fintech: The Role of Financial Risk Tolerance. *International Journal of Entrepreneurship*, 26, (3), 1-11.
- Malik, A. N. A., & Annuar, S. N. S. (2021). Quest for Financial Inclusion via Digital Financial Services (Fintech) During COVID-19 Pandemic: Case Study of Women in Indonesia. *Journal of Financial Services Marketing*. <https://doi.org/10.1057/s41264-023-00217-9>.
- Nasution, S. A., Lasmi, A., Silalahi, P. R., & Nasution, A. (2023). Efektivitas Galeri Investasi Syariah Bursa Efek Indonesia (GIS BEI) UINSU Medan Dalam Meningkatkan Literasi Pasar Modal. *Ecobankers: Journal of Economy and Banking*, 6, (1), 124-140.
- Nazmi, H., & Pinem, C. A. B. (2023). Pengaruh Digital Service Terhadap Minat Investasi Tabungan Emas Pada Pegadaian Kantor Wilayah 1 Medan Tahun 2019-2021. *AKSELERASI: Jurnal Ilmiah Nasional*, 5, (1), 99-107.
- Nisa, R. S., Adityatama, B., & Fitria, D. A. (2024). Analisis Minat Masyarakat Terhadap Produk Tabungan Emas Di Pegadaian. *Journal of Management*, 7, (3).
- Nugraha, P. (2024). Role of Financial Literacy and Saving Habits on Fintech Adoption post Covid-19. *Etikonomi*, 23, (1), 63 - 80.
- Putri, D. S. & Wardhana, A. (2020). Analisis Faktor-Faktor yang Mempengaruhi Adopsi Layanan Mobile Banking pada Generasi Milenial di Surabaya. *Jurnal Ekonomi dan Bisnis*, 1, (1).
- Rahmawati, D., Thaha, A. R., & Priyanto, A. (2021). Financial literacy, digital transformation adoption, and their significance to the MSMEs performance in Bandung city. *Jurnal Manajemen Bisnis Dan Kewirausahaan*, 7, (1), 213-223.
- Rizky, N., & Diyan, E. (2019). Pengaruh Persepsi Risiko Dan Toleransi Risiko Terhadap Keputusan Investasi (Studi Kasus Investor Di MNC Trade Syariah Kendari). *Jurnal Akuntansi dan Keuangan*, 19, (2), 164-173.

- Sumiati, A., Widyastuti, U., Takidah, E., & Suherman. (2021). The millennials generation's intention to invest: A modified model of the theory of reasoned action. *International Journal of Entrepreneurship*, 25, (3), 1–11.
- Susanto, N. R., & Sari, I. M. (2022). Pengaruh Literasi Keuangan Terhadap Minat Berinvestasi Pada Produk Keuangan Digital. *Jurnal Ilmu dan Riset Akuntansi*, 11, (1).
- Zhao, J., & Li, M. (2023). The Impact of Digital Exposure on Consumer Trust and Market Participation in Fintech Services. *International Journal of Financial Research and Review*, 4, (2).