Examining E-Loyalty as A Marketing Strategy (Case Study of BPD Bali Mobile)

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A B S T R A K
The utilization of mobile banking applications today greatly facilitates daily transactions to support human behaviour. This study aims to determine partially and simultaneously the effect of e-service quality, e-satisfaction, and e-trust on e-loyalty from the use of Bank BPD Bali's Mobile Banking. Bank BPD Bali is a financial management company managed by a Regional Owned Enterprise. The sample in this research is 100 people who are customers and users of Bank BPD Bali Mobile Banking. The data analysis technique used is validity test, reliability test, classic assumption test, multiple linear regression analysis, coefficient of determination test, F test and t test. From the research results obtained, it can be concluded that there is a very significant influence of each variable, such as the variable e-service quality has a significant positive effect on e-loyalty, e-satisfaction has a significant positive effect on e-loyalty, e-trust has a significant positive effect on e-loyalty and e-service quality, e-satisfaction and e-trust have a significant effect on e-loyalty. The magnitude of the influence of the independent variable on e-loyalty is 58.3. The advice that researchers can give is that Bank BPD Bali is expected to regularly update and innovate on BPD Mobile so that later it can provide the best service. It is better for Bank BPD Bali to add to the existing features in BPD Mobile, reduce useless features, and create a security system that can ensure the safety of customer data and money.

1. INTRODUCTION

In the current era of globalization, the rapid development of technology creates innovations. The existence of technology will make it easier for humans to carry out their activities (Asmoro et al., 2020). The most advanced information technology is the internet. The development of the internet is considered very useful for various fields. This is possible because the internet will gradually become the primary need of the community to help the community carry out their daily activities (Indonesia.go.id, 2022).

Based on data from katadata.co.id (2022), there was a 1.03% increase in internet users compared to the previous year. The data shows that Indonesia ranks fourth as the country with the most extensive internet usage in the world, with an internet penetration rate reaching 73.7% of the total population of 277.7 million people in January 2022.

One of the sectors that have progressed due to the development of technology and information is banking. With the development of technology and information, banks in Indonesia are starting to recognize and adopt Internet Banking, Mobile Banking, and SMS Banking which are forms of digital services through internet media (ojk.go.id, 2022). Through this service, the bank and the customer will not waste time and energy conducting transactions or other banking activities at the bank's office.

Digital services provided by banks must be able to adapt to consumer mobility. To meet these consumer expectations, we need a tool known as a mobile device. The use of mobile devices or smartphones in Indonesia, reported by goodstats.id (2022) states that the number of connected mobile devices in Indonesia has reached 370.1 million. This number has increased by 13 million or 3.6 percent from the same period in the previous year.

One of the latest advances in the financial services industry and one of the marvels of the latest mobile technology, mobile banking has brought the pure mobility factor into service consumption (Shaikh & Karjaluoto, 2015). Mobile Banking is an application that helps customers in banking transactions through smartphones. The existence of mobile banking in the banking world positively impacts customers when they want to do banking transactions. Customers only need to use their smartphone and then connect to the internet network to run the mobile banking application.

Reporting from ojk.go.id (2022), Mobile banking is a service that banks provide to perform various banking transactions through sharing features/menus on banking applications that are downloaded and installed via smartphones. Mobile banking service features include information services (balances, account mutations, credit card bills, interest rates, and the location of the nearest branch/ATM); and transaction services, such as transfers, bill payments (electricity, water, taxes, credit cards, insurance, internet), purchases (pulse, tickets), and various other features.

Bank BPD Bali launched its mobile banking application in 2015 called BPD Bali Mobile, is a digital service that aims to make it easier for customers to conduct banking transactions in a mobile and efficient manner. Bank BPD Bali always strives to develop its mobile banking application to provide the best quality service for its customers. During the last 2 years, the number of customers who have used mobile banking applications has increased significantly. The BPD Bali Mobile application got a pretty good rating on the Google Playstore platform for Android users, namely 4.6, and a rating of 4.1 for IOS users on the App Store platform.

However, on both platforms, there are several complaints of dissatisfaction from BPD Bali Mobile users. As for the problems they complained about, such as an uncomfortable appearance, failure to make transfers, and invisible account mutations. From these complaints, it provides a lesson that it is necessary to assess the quality of an application's service or E-service quality so that user complaints and dissatisfaction do not occur in the future. Basically, e-service quality is the development of service quality that is applied to electronic media. According to Pearson et al. (2012) define e-service quality as meeting between consumer expectations without any direct interaction with the services provided. E-service quality is a broad form of service quality using internet media that connects sellers and buyers to meet needs efficiently and effectively.

Complaints and disturbances found in mobile banking and its operation that are not in accordance with the wishes of the customer cause distrust and dissatisfaction in using the service. In the world of e-commerce, satisfaction is better known as e-satisfaction. E-satisfaction is consumer satisfaction from their previous purchase experience, and there are two main factors from that experience, including services from online sites and online sites themselves (Santika & Pramudana, 2018). From a broad perspective, the internet is a new technology concept and satisfaction on an application page or website. Electronic customer satisfaction becomes a regulator through its ease of use and usefulness (Romadhoni et al., 2015).

In terms of building consumer loyalty, banks, especially in developing electronic services, need to realize the importance of building consumer trust. Trust can be defined as confidence or credibility; the credibility in question is the extent to which business people can make consumers believe in what they offer (Choi & Mai, 2018).

In the electronic business world, electronic trust is better known as e-trust. E-trust can be said to be related to consumer trust in a site to make purchases online (Susanto, 2018). Giovanis and Athanasopoulou (2014) provide an explanation regarding e-trust as an essential beginning of the formation and maintenance of relationships between customers and online sellers. From the consumer's perspective, it appears that e-trust is based on perceptions of risk, recommendations from friends, integrity, bank competency, and software dependability (Ismail & Safa, 2014).

Based on the previous description, it can be concluded that increasing customer loyalty can be accomplished by raising service quality, where online trust and satisfaction can foster a sense of satisfaction and loyalty for customers using mobile banking and banks can use control to draw in and keep customers.
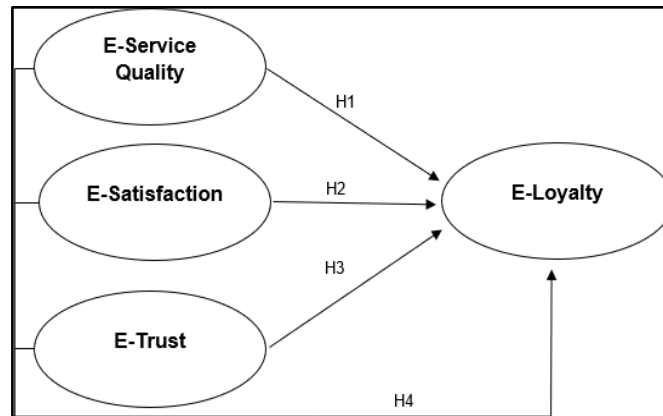
Figure 1. Conceptual

Framework

In accordance with Figure 1, the research hypothesis is built as follows:

H1: E-Service Quality has a positive effect on E- Loyalty of BPD Bali Mobile users.

H2: E-Satisfaction has a positive effect on E- Loyalty of BPD Bali Mobile Users.

H3: E-trust has a positive effect on E-loyalty of BPD Bali Mobile Users.

H4: E-Service Quality, E-Satisfaction, and E- Trust have a positive effect on E-Loyalty of BPD Bali Mobile Users.

2. METHOD

The location of this research is carried out on customers who use BPD Bali Mobile in the city of Denpasar using Bank BPD Bali Renon as the object of research. The site was chosen for the study's focus because, despite an increase in the number of customers using BPD Bali Mobile, the BPD Bali Renon Branch continues to get complaints and other forms of dissatisfaction from those who use the app.

The population used in this study were BPD Bali Renon Branch customers for August 2022, totaling 17.447 savings customers who have used BPD Bali Mobile based on data obtained. Result and Discussion at BPD Bali Renon Branch. After calculating using the Slovin formula, the results obtained were 99,4 respondents with a margin of error of 10% which was then rounded up to 100 respondents from the BPD Bali Mobile banking's active customer.

The type of data used in this research is descriptive quantitative data. According to Sugiyono (2012), descriptive research, or a study, was done to ascertain the independent variable's value, either one or more variables that cannot be connected to or compared to other variables. According to Arikunto (2013), the quantitative method relies on numbers throughout the process—from data collection through data interpretation to the presentation of the findings. To collect the information and data that the author needed for this research, data collection was carried out by distributing questionnaires. The questionnaire will be given online via a Google Form, then statistical analysis was carried out using SPSS software.

3. RESULT AND DISCUSSION

In this research, 100 respondents were obtained by distributing questionnaires over seven days, given online via a Google Form. Based on the characteristics of the gender respondents, it is known that the majority of respondents were female, with a total of 57 respondents or 57%. In contrast, respondents with the male gender were 43 people or 43%. This result is because the existence of BPD Mobile will provide convenience for women in BPD Mobile transactions.

The characteristics of the age respondents showed that most respondents were aged 17- 25 years, namely 42 people or 42%, while the least respondents were >46 years old, 11 people or 11%. The study results show that most young people are more interested in using BPD Mobile; this happened because most young people are already familiar with technology, so to make transactions easier, young people will prefer to use BPD Mobile. Based on the characteristics of the job respondents, it is known that most respondents is student, namely 42 people or 42% and at least 8 respondents with self- employed jobs or 8%. This is because some students are already familiar with technology, so they prefer to use BPD Mobile to make transactions easier.

Multiple Linear Regression Analysis

Table 1. Multiple Linear Regression Analysis Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.977	.967		1.011	.315
	E-service quality	.170	.056	.261	3.043	.003
	E-satisfaction	.215	.061	.339	3.491	.001
	E-trust	.196	.071	.281	2.743	.007

    a. Dependent Variable: E-loyalty

Based on Table 4.12, a multiple regression equation is obtained as follows:

Y = a+b1X1+b2X2+b3X3 + e

Y = 0,977 + 0,170X1 + 0,215X2 + 0,196X3 + e

a. Constant Value
   The constant coefficient is 0.977 which means that if the e-service quality, e-satisfaction and e-trust variables are at zero (0), then e-loyalty is constant at 0.977.
b. E-service quality
   The regression coefficient value of e-service quality is 0.170, meaning that if the e-service quality variable increases by 1 unit, e-loyalty will increase by 0.170. this means that any increase in e-service quality can increase e-loyalty
c. E-satisfaction
   The regression coefficient value of e-satisfaction is 0.215, meaning that if the e-satisfaction variable increases by 1 unit, e-loyalty will increase by 0.215. This means that every increase in e-satisfaction can increase e-loyalty.
d. E-trust
   The value of the e-trust regression coefficient is 0.196, meaning that if the e-trust variable increases by 1 unit, e-loyalty will increase by 0.196. This means that any increase in e-trust can increase e-loyalty.

T-Test Result

According to Ghozali (2005) on Waseso & Darmastuti (2013) t-test shows how far the influence of one independent variable individually in explaining the variation of the dependent variable. With a significance value of = 0.05, it means that the possibility of the truth of the conclusions drawn has a 95% probability or 5% error tolerance. If the significant value is below 0.05, it means that the independent variable has an effect on the dependent variable. Decision-Making Criteria The results of the t-count are compared with the t-table, with the following decision-making criteria jf the value of sig. < 0.05, then the hypothesis is accepted (significant). This shows that the independent variable has a significant effect on the dependent variable partially.

Table 2. Partial Regression Test (T-Test) Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.977	.967		1.011	.315
	E-service quality	.170	.056	.261	3.043	.003
	E-satisfaction	.215	.061	.339	3.491	.001
	E-trust	.196	.071	.281	2.743	.007

a. Dependent Variable: E-loyalty

Based on Table 2 above, the results of partial hypothesis testing (t-test) can be presented as follows:

a. Effect of e-service quality on e-loyalty

Table 2 shows that the t-coefficient value is 3.043, the regression coefficient value is 0.170 and the significance is $0.003 < 0.05$, which means that H_0 is rejected and H_1 is accepted. So that, e-service quality has a positive and significant effect on e-loyalty. This means that the better the e-service quality, the higher the e-loyalty of BPD Mobile.

b. The effect of e-satisfaction on e-loyalty

Table 2 shows that the t-coefficient value is 3.491, the regression coefficient value is 0.215 and the significance is $0.001 < 0.05$, meaning that H_0 is rejected and H_2 is accepted. So that, e-satisfaction has a positive and significant effect on e-loyalty. This means that the higher the e-satisfaction, the higher the e-loyalty of BPD Mobile.

c. Effect of e-trust on e-loyalty

Based on table 2, it can be seen that the t-coefficient value is 2.743, the regression coefficient value is 0.196 and the significance is $0.007 < 0.05$, which means that H_0 is rejected or H_3 is accepted. So, e-trust has a positive and significant effect on e-loyalty. This means that the higher the e-trust, the higher the e-loyalty of BPD Mobile.

F-Test Results

In this study, the F test is used to test the significance level of the effect of E-Service Quality, E-Satisfaction, and E-Trust on E-Loyalty on BPD Bali Mobile users. With the following decision-making criteria if the value of sig. $F < 0.05$ then Ha is accepted(significant). This shows that the independent variable affects the dependent variable simultaneously.

Table 3. Simultaneous F-Test ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	226.923	3	75.641	47.157	.000[b]
	Residual	153.987	96	1.604		
	Total	380.910	99			

a. Dependent Variable: E-loyalty

b. Predictors: (Constant), E-trust, E-satisfaction, E-service quality

Based on table 3 above shows that the sig value = 0.000. This means statistically at α (trust level) = 0.05, this means simultaneously (simultaneously) e-service quality, e-satisfaction and e-trust have a significant (significant) effect on e-loyalty (Y). So that, H_0 is rejected and H_4 is accepted. This means that the better the e-service quality, e-satisfaction and e-trust, the higher the e-loyalty of BPD Mobile.

4. CONCLUSION

Based on the discussion that has been described, it can be conclude that E-service quality has a significant positive effect on BPD Bali Mobile Banking's e- loyalty, means that the better the e-service quality offered, the higher the e-loyalty of BPD Bali Mobile Banking take. The result on E-satisfaction has a significant positive effect on BPD Bali Mobile Banking's e- loyalty, this means that the higher the e-satisfaction of the BPD Bali Mobile Banking's Customer, the higher the e- loyalty of BPD Bali Mobile Banking take. Furthermore, variable E-trust has a significant positive effect on BPD Bali Mobile Banking's e-loyalty, means that the higher level of e- trust, the greater customer on e-loyalty of BPD Bali Mobile Banking. Lastly, E-service quality, e-satisfaction and e- trust together significantly influence BPD Bali Mobile Banking's e-loyalty. this means that the better the e-service quality, e-satisfaction and e-trust, the higher the e-loyalty of BPD Bali Mobile Banking.

5. ACKNOWLEDGE

Based on the findings of the research, Bank BPD Bali is expected to enhance the quality of BPD Bali Mobile's electronic services in order to increase customer E-Loyalty, particularly in areas linked to customer privacy, such as ensuring the protection of personal data. The BPD Bali bank will thereafter be expected to keep improving the services it offers in order to adjust to its customers' lifestyles. Future studies should be able to investigate and research additional factors—not covered in this study—that can impact e-loyalty in addition to e-service quality, e-satisfaction, and e-trust. So that a later researcher may determine what steps need to be made to boost BPD Mobile e-loyalty.

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