
BUSINESS STRATEGY IMPROVEMENT FOR SUPERAPP BTN MOBILE

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Abstract

Digitalization is the process of transforming a business or organization from traditional processes based on physical technology to processes that are more efficient and connected through digital technology. Bank Tabungan Negara has just inaugurated the launch of its newest mobile banking application, namely SuperApp BTN Mobile. This SuperApp is the latest update for the previous BTN Mobile Banking which has been lagging in updates. This application will be the flagship of BTN in providing easy service for its customers. To compete with other competitors, BTN should increase their SuperApp awareness. The objective of this research is to explore the factors that influence the adoption of mobile banking and to develop a marketing strategy to increase activation rate and adoption of the technology.

Keywords: *business strategy, financial service, mobile banking, customer satisfaction*

INTRODUCTION

The development of digital technology has entered all lines of life in society, so that the distance between regions is no longer a barrier between one region and another. This factor makes all companies try to use the internet as a penetration material for company activities in marketing their products and services. Because by using the internet companies can make marketing cost efficiencies, cost efficiencies in opening new branches, HR costs and company operational costs (Thompson et al., 2013). The world's advancements in information and communication technology (internet) have influenced changes in lifestyle and consumer behavior Schiffman et al., (2013), so advancements in information and communication technology-based industries have become a requirement that seems inseparable from human life. Additionally, this affects consumer expectations for the company's products and services (Rimawan et al., 2017).

Digitalization in the financial sector has grown rapidly in the past few years. A survey released by Populix in 2022 shows that mobile banking and E-Wallet are the 2 most frequently used financial applications by all ages (Alam et al., 2019). Meanwhile, 64 percent of respondents use banking or financial applications on their smartphones. Specifically, 91 percent of them own and use mobile banking applications on their respective devices. On the other hand, the findings from this survey show that the majority of mobile banking application users come from the Greater Jakarta area.

Despite the growing popularity of mobile banking and digital payment methods in Indonesia, SuperApp BTN Mobile, a mobile banking application provided by Bank Tabungan Negara, has not achieved widespread awareness and adoption among the Indonesian population (KA & Subramanian, 2022). This lack of activation rate and understanding of SuperApp BTN Mobile has hindered its growth and adoption, which has the potential to become a leading player in the Indonesian mobile banking market.

The factors contributing to the activation rate of SuperApp BTN Mobile include a lack of understanding of its features and benefits, limited marketing efforts, and the existence of alternative mobile banking applications. These factors have resulted in a limited user base for SuperApp BTN Mobile, preventing it from realizing its full potential.

Therefore, there is a need to develop and implement an effective business strategy to increase activation rate of SuperApp BTN Mobile among the Indonesian population. By addressing the existing barriers to adoption and increasing awareness of the benefits and features of SuperApp BTN Mobile, the aim is to promote its adoption and usage, leading to increased adoption and usage of mobile banking services in Indonesia.

RESEARCH METHODS

This research will need supporting data in order to provide a thorough analysis. This research will use quantitative and qualitative approaches for its collection and analysis. Both primary and secondary data sources will be collected in order to support the analysis. The collected data will be analyzed through the use of deductive analysis methods. Internal analysis that will be used in this research are analysis theories such as STP analysis, Marketing Mix 7P, VRIO, and Porter Value Chain. For external analysis, theories that will be used are PESTEL, Porter Five Forces, Competitor Analysis, and Consumer Analysis. Then the strategy will be formulated with SWOT analysis.

To obtain further information, qualitative research was carried out through interviews with internal and external respondents by using qualitative descriptive approaches. According to Moleong, (2021), a qualitative descriptive approach is a research approach where the data collected is in the form of words, pictures and not numbers. These data can be obtained from interviews, field notes, photographs, video tapes, personal documentation, notes, or memos and other documentation.

For quantitative data, questionnaires were distributed in Indonesian and distributed via Google Form. In total there were 111 respondents who completed this questionnaire but only 108 are valid. All these variables will be assessed using a Likert scale with 5 measurement categories. The questionnaire has two components, which are the respondent demographic and the respondent assessment of BTN Mobile variable indicators. The second component contains of 7 variables which are come from Marketing Mix 7P variable presented in Table 1.

Table1. Variable Measurements

Variable	Questions
Product	BTN Mobile provides useful and relevant features for my banking needs.
	I am satisfied with the quality and functionality of the features provided by BTN Mobile.
	BTN Mobile provides a satisfying user experience in conducting banking transactions.
Price	The latest BTN Mobile interface is better and more comfortable than the old version
	I feel that the fees and rates charged by BTN Mobile are worth the benefits I get.
	BTN Mobile offers competitive prices compared to other mobile banking applications.
Place	I feel BTN Mobile provides good value for what I paid.
	I can easily access BTN Mobile through my mobile device.

Variable	Questions
	BTN Mobile makes it easy to make transactions from anywhere and anytime.
	I can easily find BTN Mobile on Google Play or the App Store.
	BTN Mobile has a good reputation on Google Play or App Store based on user reviews.
	I will give a good review and rating on BTN Mobile.
Promotion	I am interested in the incentive program or special promo offered by BTN Mobile.
	I know the BTN Mobile brand through advertisements in electronic media (TV, radio, billboard etc.).
	I often see BTN Mobile advertisements on social media and websites.
	I have seen BTN Mobile banners or posters in public places.
Process	The BTN Mobile registration and activation process runs smoothly and easily.
	I feel that BTN Mobile provides clear guidelines for using this application.
	I feel that BTN Mobile provides adequate assistance in solving problems or problems that I experience.
People	The BTN Mobile customer service team provides a fast and helpful response.
	The BTN Mobile team provides satisfactory solutions if I encounter problems or questions.
	The service provided by the BTN Mobile customer service officers met my expectations.
Physical Evidence	The BTN Mobile interface design gives an attractive and professional impression.
	I feel comfortable and easy to use the BTN Mobile interface.
	BTN Mobile has a well-organized and easy-to-understand layout.
	BTN Mobile works smoothly and responsively without any significant technical problems.

In this study, researchers used triangulation, which is a data validity checking technique that utilizes something else. Beyond that data is for checking or as a comparison against that data (Moleong, 2021). Triangulation technique is a data collection technique that combines various existing data collection techniques and data sources (Sugiyono, 2017). While sourcing triangulation, namely data collection techniques from different sources (Internal BTN, and Customers) with the same method (interviews) and also obtained answers from the interview as the need for analysis to the internal and external. This research aims to gain in-depth insight into user experience in interacting with BTN Mobile customer service. The result of the interviews will be analyzed into internal and external analysis.

RESULTS AND DISCUSSION

Through internal analysis by doing STP, marketing mix 7P, VRIO analysis, and porter value chain, some of the cause found is BTN Mobile fails to effectively communicate and promote its offerings to the target market through various marketing channels, it may result in low brand awareness, limited customer engagement, and reduced market penetration. With External analysis by analyzing with PESTEL, Porter's 5 Forces the root cause that found is the rising popularity of mobile payment presents a significant opportunity for BTN Mobile to capitalize on the growing market and expand its services. But the threats from substitute products are so high.

Competitive analyses are conducted, and the results are competitors in the banking industry have established strong brand recognition and trust among customers. While Fintech companies prioritize user experience and convenience. They focus on designing intuitive interfaces, providing personalized services, and offering attractive incentives such as cashbacks, discounts, and rewards to attract and retain customers (Ziliani, 2019).

BTN Mobile faces competition from two main competitors, namely from the banking industry and the non-banking industry. In the banking industry, BTN Mobile's competitors are traditional banks that have been operating for a long time and have an extensive network. These banks have advantages in terms of brand recognition and consumer trust that have been built up over the years (Ghorbani & Yarimoglu, 2014). They also often have considerable resources to invest in sophisticated online banking technology, thereby being able to provide a comprehensive range of features and services to their customers. In addition, these banks can also take advantage of their strong customer base to introduce online banking services to their existing customers (Lee, 2009).

On the other hand, BTN Mobile's competitors also come from the non-banking industry, especially fintech companies that issue mobile payment applications. This fintech company has managed to gain significant market share with their mobile payment application. They offer convenience and speed in making payment transactions, and often provide promotions, discounts, and cashback to their users. The advantages of these competitors lie in the technological innovations they offer and their ability to meet consumer payment needs in a more practical and efficient way. Another advantage of fintech companies in the non-banking industry, including mobile payment applications, is their ability to carry out effective marketing strategies by providing attractive promos to their users. Fintech companies often use aggressive marketing strategies by providing promos such as discounts, cashback, or rewards to users of their mobile payment applications (Nurqamar, 2021). These promos are designed to attract consumer attention, increase their participation in using the application, and build user loyalty to the platform. These attractive promos provide added value for consumers because they can take advantage of discounts or cashback to make purchases or transactions at a more economical value Vieira et al., (2022). In addition, these promotions can provide consumers with a positive experience, enhance their impression of fintech companies, and strengthen customer relationships.

To face this competition, BTN Mobile needs to continue to innovate and strengthen its competitive advantage (Maryono et al., 2020). This can be done by developing superior features and services, providing a better user experience, and establishing partnerships with strategic parties such as technology companies and other business partners. In addition, BTN Mobile also needs to carry out an effective marketing strategy to increase awareness and attractiveness of their products during intense competition.

The result from questionnaire that distributed to BTN Mobile customers shows that the promotion aspect in BTN Mobile marketing still has the potential to be improved and

needs more attention in efforts to promote these services to the target market. With a low value in the Promotion variable, it can be assumed that the promotions carried out by BTN Mobile have not been effective enough or have not reached the target market properly. This could mean that the promotion strategy used has not attracted the attention of potential users or has not been effective enough in communicating the value and benefits of BTN Mobile services.

To increase the value in the Promotion variable, BTN Mobile needs to evaluate the promotion strategy that has been implemented. Adjustments may need to be made in the target market segments, marketing channels, or types of promotions used. By making improvements and enhancements to the promotion aspect, it is hoped that BTN Mobile can be more effective in increasing the awareness and interest of prospective users of their services.

Low promotional activities at BTN Mobile occur when the promotional channels are set incorrectly and communication does not reach the target consumers. Selection of promotional channels that are not in accordance with the characteristics and preferences of target consumers can reduce the effectiveness of the promotions carried out. For example, if BTN Mobile's target consumers are millennials who are active on social media, but promotions are only carried out through traditional media such as television or newspaper advertisements, this can result in low consumer response and interest (Lim et al., 2014).

In addition, the lack of effective marketing communications can also be the cause of low promotional activities. Promotional messages that are unclear, unattractive, or irrelevant to consumer needs can make them uninterested in using BTN Mobile. Lack of understanding of the preferences and needs of target consumers can also hinder effective communication in product promotions.

Selection of promotional channels that are not in accordance with the characteristics and preferences of target consumers can reduce the effectiveness of promotions carried out by BTN Mobile. Each target consumer has different preferences in accessing information and interacting with brands or products. If BTN Mobile uses promotional channels that do not match the characteristics of the target consumers, the promotional message may not reach them effectively, thereby reducing the impact of the promotion.

BTN Mobile targets the millennial generation who actively use social media and digital platforms, so choosing promotional channels such as television advertisements or traditional billboards may not be effective (Ratriyana, 2020). Instead, BTN Mobile can choose to promote through social media platforms that are popular among the millennial generation, such as Instagram, Tiktok, or YouTube. Thus, BTN Mobile's promotional messages will be more targeted and more likely to be received by target consumers.

CONCLUSION

The external and internal conditions of SuperApp BTN Mobile play a significant role in shaping its overall performance and success. Externally, SuperApp BTN Mobile operates in a favorable market with growing demand for mobile banking services and digital financial solutions. However, it faces competition from other players in the market and must differentiate itself to attract and retain customers.

Internally, the technology infrastructure of SuperApp BTN Mobile is crucial to support its functionalities, ensure secure transactions, and provide a seamless user experience. The availability of skilled human resources, including app developers, IT professionals, and customer service representatives, is vital for effective management and operation. Streamlining internal processes and adopting best practices can enhance efficiency and customer satisfaction.

The root cause of the low activation rate of SuperApp BTN Mobile can be identified in several factors. First, low promotional activity can be a direct cause of low activation rates. If promotions are not carried out actively and consistently, potential users may not be aware of the existence and benefits of the BTN Mobile SuperApp. Therefore, greater efforts are needed to increase promotional activities, both through online and offline channels.

Furthermore, inappropriate promotion channel targets can be an obstacle in reaching a relevant audience. If the promotion is carried out on a channel that is ineffective or not used by the target market for SuperApp BTN Mobile, then the promotional message will not be well received. Therefore, it is important to conduct in-depth analysis and research on the preferences and habits of SuperApp BTN Mobile users, so that they can choose the right and effective promotional channels.

The high level of competition between banks and non-banks can also affect the level of activation of the BTN Mobile SuperApp. The banking and financial technology industries are expanding, and the competition is getting fiercer. The goal of banks and other fintech businesses is to draw in and keep customers. BTN Mobile must therefore devise a strategy that sets it apart from rivals and provides special value to potential users.

Improving Integrated marketing communication is the best strategy for BTN to apply in order to increase activation rate of BTN Mobile. Based on the results of the analysis, it was found that the digital channel is the most efficient marketing channel to promote BTN Mobile. Digital channels, especially Instagram and Youtube, are the most efficient platforms for promoting BTN Mobile. First, Instagram is a very famous social media site with a lot of users, especially smartphone users and younger people. By using Instagram, BTN Mobile can reach specific groups that are interested in mobile banking services, such as the young generation and generation Z. Instagram has a lot of strong visual features, like photos and videos, that make it easy for BTN Mobile to send people interesting and creative promotional messages.

Second, Youtube is also a very effective platform for promoting BTN Mobile. With millions of daily active users, Youtube is the biggest video-sharing website in the world. In order to explain and persuade potential customers about the advantages of BTN Mobile, the company can produce educational video content, product demonstrations, user testimonials, and more on Youtube. In addition, Youtube also provides advertising options that can be used to expand the reach of BTN Mobile promotions to relevant users. By optimizing the use of Instagram and Youtube as the main promotional platforms, BTN Mobile can take advantage of the visual power and attractiveness of video content to attract the attention of the target audience, build brand awareness, and increase user conversions to become active BTN Mobile.

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