

The Effect of Customer Experience, Online Review and Perceived Risk on the Decision Process Using Mobile Banking Applications

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ABSTRACT

The revolution in information technology is rapidly changing the way people view and behave. A shift in customer habits in transactions can be seen: previously it was done directly and now it became online. The current pandemic situation also encourages everyone to switch to using digital banking services. To survive in the tight competition for digital banking services, BRI has developed a new mobile banking application, BRImo. This study aims to explain the influence of customer experience, online review, and perceived risk on the decision to use the BRImo application at the BRI Bali. In this study, 100 respondents were interviewed through questionnaires online with a google form. The analysis technique used is Multiple Linear Regression Analysis, Classical Assumption Test, T-Test, F Test, and Determination Coefficient Test. The results of this study indicate that customer experience has a positive effect on decision process use. The online review has a positive effect on the decision process use. Perceived risk has a negative effect on the decision process use. Customer experience, online review, and perceived risk have a significant effect on the decision process use.

Keywords: Customer Experience, Decision Process to Use, Online Review, Perceived Risk.

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I. INTRODUCTION

The revolution in information technology is rapidly changing the way people view and behave, both in the way they communicate, work, and carry out various commercial activities. The impact of the development of information technology also affects the growth of technology in the banking world (Herlambang & Dewayanti, 2018). Positive use of the internet increases the application of various banking solutions, one of which is realized through e-banking or internet banking (Adeniran *et al.*, 2020). Technological advances have also given rise to mobile banking, which allows users to conduct remote financial transactions using their mobile phones (Baabdullah *et al.*, 2019).

In this study, BRI was chosen as the object of research because BRI is one of the largest state-owned banks in Indonesia that has a wide reach. Tight competition in digital banking services has forced BRI to develop a new mobile banking application, named the BRImo application which is more upgraded from BRI Mobile to be able to maintain its existence in the banking world.

BRImo application is a more modern, innovative, and complete version so that it can support the needs of banking services in the current digital era. BRI will indeed shift all digital banking services from BRI Mobile to BRImo in stages, there will even be additional features for the BRImo application so that this application can become a complete mobile banking solution in Indonesia.

The decision-using process is a basic psychological process that plays a vital role in understanding how

consumers make a decision. The decision process to use the BRImo application by the customer involves the customer's belief in a product so that they feel confident about the correctness of the action taken. In the current era of technological advancement, customers of course in using the BRImo application consider the factors that influence the decision to use. So that researchers are interested in analyzing the factors that drive the decision process using the BRImo application at PT Bank Rakyat Indonesia Regional Office Bali.

These factors are customer experience, online reviews, and perceived risk. The average user of the BRImo application at the Bali Regional Office is 87.2%, while the target set by PT Bank Rakyat Indonesia for the Bali Regional Office is 100%. Customers can only have 1 BRImo application account and customers who have more than one BRI savings account can link the savings account with other BRI savings accounts so that they can be connected to one BRImo application.

This shows good performance amid a sluggish economic condition in recent years, although it has not reached the maximum target, the phenomenon that occurs regarding the number of transactions on the BRImo application that is not achieved is caused by customer experience, reported on the online review of the BRImo application on the App Store. many complaints are felt by customers so that customers have not felt the benefits of the BRImo application, customers do not have confidence in the BRImo application and customers have not thought about making non-cash transactions using the BRImo application because they often experience application problems such as unable to login, failed

transactions but account balances have been cut off, and other disturbances so that this has an impact on not achieving transactions for BRImo application users.

The online review also has a function as a decision-making tool, a mechanism for the feedback given by consumers, and a recommendation system on online transaction platforms. 4.7% of BRImo application users gave a one-star rating to the BRImo application, this was due to the lack of response from the BRImo application admin at Bank Rakyat Indonesia regarding the problems experienced by application users and where the customer's lack of knowledge about the use of the BRImo application and customers felt not interested in using the application. Bank Rakyat Indonesia's BRImo application because it is considered that system disturbances often occur.

This perceived risk also needs to be considered by the bank to minimize customer perceptions of transaction risk that can occur due to transactions made electronically with the aim that BRImo application users avoid various worries when transacting. Several risk factors that can occur by users of the BRImo application include phishing where customers receive fake emails, SMS, or web pages to take over the customer BRImo application account. In addition to phishing, information delays and system errors may also occur. The rise of criminal cases through electronic media is also a special concern for customers before using the application. Nurahman (2021), Sandi (2017), Latif & Hasbi (2021), Nuryadin *et al.* (2021), Wibowo *et al.* (2021) said that customer experience has a positive and significant effect on purchasing decisions. But Isfiandi & Amin (2019), Oscardo *et al.* (2021), Yusnia & Burhanuddin (2020) said that customer experience does not have a significant influence on purchasing decisions. Latief & Ayustira (2020), Danty *et al.* (2020), Anugrah *et al.* (2021), Arbaini *et al.* (2020), Ardianti & Widiartanto (2019) said online reviews have a positive effect on purchasing decisions. Namun Sudjatmika (2017), Wandira & Rahman (2021) said online reviews have a negative and insignificant effect on purchasing decisions. Rahmadhani & Prihatini (2018), Yunita *et al.* (2019), Maziriri & Chuchu (2017) said that perceived risk has a positive effect on purchasing decisions. But Yoestini (2021), Rayyantika (2021) said that perceived risk has a negative and significant effect on purchasing decisions.

This research was conducted based on three reasons, namely: (1) there was a research problem found in BRImo application users at PT. Bank Rakyat Indonesia Regional Office of Bali, where the BRImo application users are not reached (2) there are pre-survey results that show deficiencies in the research variables, to improve it further research is needed (3) there is a research gap that has been disclosed.

A conceptual framework is needed in formulating the relationship between theory and variables that have been defined and identified as a research problem to be relevant. Consumer behavior is the subject that most underlies a consumer in deciding to use a product or not. Experience is formed from individual learning of their behavior when interacting with a particular object. Learning experiences will also determine consumer actions in the decision-making process. Online reviews of a product or service can also be a source of information and consumer preference in the decision process to use. Perception of risk also affects consumer behavior, consumers place risk in every decision

making. The presence or absence of risk is very objective depending on who perceives it. In the theory of consumer behavior, customer experience and perceived risk are included in psychological factors, while online reviews themselves are included in social factors. So, the theory of consumer behavior can explain the relationship between customer experience, online review, and perceived risk variables in the decision process use. Based on the literature review and the results of previous research, a conceptual framework can be drawn up as follows in Fig. 1.

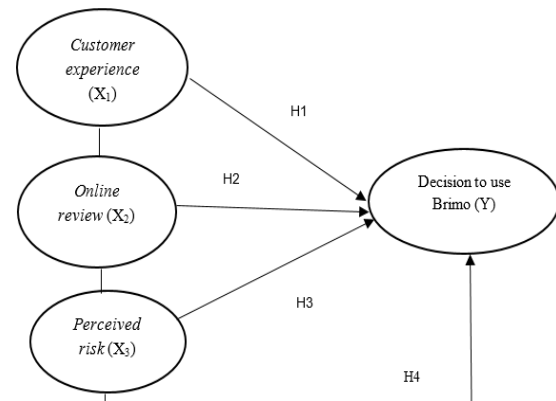


Fig. 1. Conceptual Framework.

A. Research Hypothesis

H1: Customer Experience Has a Positive and Significant Effect on Decision Process to Use.

H2: Online Review Has a Positive and Significant Effect on the Decision Process to Use.

H3: Perceived Risk Has a Negative and Significant Effect on the Decision Process to Use.

H4: Customer Experience, Online Review, and Perceived Risk Simultaneously Have Significant Influence on the Decision Process to Use.

II. METHODOLOGY

This study uses a quantitative approach that can be classified as an associative research type. In this study, the sample selection method used is Proportionate Stratified Random Sampling, which is a technique used when the population has members/elements that are not homogeneous and stratified proportionally with a total of 100 respondents. Data collection methods were used in this study, namely interviews and questionnaires. Measurement of answers from respondents was measured using a Likert scale. The data analysis technique uses multiple linear regression analysis.

III. RESULTS AND DISCUSSION

Multiple linear regression analysis models is used to obtain a regression coefficient that will determine whether the hypothesis made will be accepted or rejected. The results of this analysis refer to the results of the influence of the customer experience variable (X1), the online review variable (X2) and the perceived risk variable (X3) on the decision process variable using the BRImo application (Y). The results

of the regression analysis using the Statistical Package for the Social Sciences (SPSS) version 25.0 for Windows program can be seen in Table I below:

TABLE I: MULTIPLE LINEAR REGRESSION ANALYSIS RESULTS

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.814	1,947		1.445	0.152
1 <i>Customer experience</i>	0.582	0.065	0.531	9.006	0.000
<i>Online review</i>	0.494	0.067	0.428	7.410	0.000
<i>Perceived risk</i>	-0.080	0.038	-0.074	-2.123	0.036
F = 285.647		F Sig = 0.000			
Adjusted R Square		= 0.896			

The customer experience variable (X1), online review variable (X2), and perceived risk (X3) have a relationship with the decision process using the BRImo application (Y). To ensure that the regression equation model is generated in predicting, it is necessary to test the fit of the model. The results of the model suitability test using the Adjusted R Square coefficient of 0.899 means that 89.90% of the decision process using the BRImo application is influenced by customer experience, online reviews, and perceived risk. While the remaining 10.10% is influenced or predicted by other variables that are not in the model and the error variable.

A. Customer Experience on the Decision Process Using the BRImo Application

The results of the analysis in this study indicate the influence of the customer experience variable on the decision process using the BRImo application to obtain a Beta coefficient value of 0.582 and a Sig value. of 0.000. This indicates that H1 is accepted ($0.000 < 0.05$). This means that the customer experience variable has a positive and significant effect on the decision process variables using the BRImo application. This means that the better the customer experience in using the BRImo application, the higher the customer's decision to transact using the BRImo application. These results are also supported by the theory of consumer behavior which explains that experience is formed from individual learning of their behavior when interacting with a particular object. Learning experiences will also determine consumer actions in the decision-making process.

B. Online Review of the Decision Process Using the BRImo Application

The results of the analysis in this study indicate the influence of the online review variable on the decision process using the BRImo application to obtain a Beta coefficient value of 0.494 and a Sig value. of 0.000. This indicates that H2 is accepted ($0.000 < 0.05$). This means that the online review variable has a positive and significant effect on the decision process variables using the BRImo application. This means that the better the online review provided by the BRImo application user, the higher the customer decision level to use the BRImo application. These results are also supported by the theory of consumer behavior which explains that interactions made by consumers in online media will result in a review of a product, online reviews can help consumers to understand and evaluate a product and can also be a reference for consumers in the decision-making process.

C. Perceived Risk to the Decision Process Using the BRImo Application

The results of the analysis in this study indicate the effect of the perceived risk variable on the decision process using the BRImo application to obtain a Beta coefficient value of -0.080 and a Sig value. of 0.036. This indicates that H3 is accepted ($0.036 < 0.05$). This means that the perceived risk variable has a negative and significant effect on the decision process variables using the BRImo application. That is, the lower the customer's perceived risk of the BRImo application, the higher the level of customer decision to use the BRImo application. These results are also supported by the theory of consumer behavior which explains that perception includes all processes carried out by a person in understanding information about their environment, the perception of risk arises because of the uncertainty that consumers face when they cannot see the consequences of the decisions they make. Consumers' perceived risk perceptions can influence the decision-making process.

D. Customer Experience, Online Reviews, and Perceived Risk on the Decision Process Using the BRImo Application

The results of the analysis in this study indicate the influence of customer experience, online review, and perceived risk variables on the decision process using the BRImo application, obtaining an F coefficient value of 285.647 and a Sig value. of 0.000. This indicates that H4 is accepted ($0.000 < 0.05$). That is, the variables of customer experience, online review, and perceived risk simultaneously have a significant effect on the decision process using the BRImo application. These results are also supported by the theory of consumer behavior which explains that the consumer's decision process in using a product is closely related to the information held by consumers. Information obtained from online media such as online reviews will be a consideration for consumers in deciding whether or not to use the product. The experience gained by consumers will form a perception of a product that will be used, whether it is a pleasant experience or an unpleasant experience provided by the product or service provider.

E. Research Implication

The theoretical implications of the results of this study provide evidence for the development of marketing management science that is able to explain the theoretical model used as a basis in formulating hypotheses, namely the influence of customer experience, online review, and perceived risk on the decision process using the empirically capable theory used in this study, namely Consumer Behavior Theory. This theory has the assumption that consumer behavior basically explains how the behavior or actions of consumers in buying or using products and services that involve a decision-making process so that consumers get the products or services they want.

The essence of this theory is to explain the decision-making process and the physical activities of individuals involved in the process of evaluating, obtaining, using or being able to use goods and services. In this theory, there are factors that influence it, one of which is psychological factors that explain consumer perceptions and experiences that can influence the decision process use. The results of the

theoretical model explain that the factors that influence the decision process use are customer experience, online review, and perceived risk. The theoretical implications of the results of this study can also provide additional references for further research that discusses customer experience, online reviews, perceived risk, and the decision process to use.

Practically, the results of this study have implications for PT. Bank Rakyat Indonesia Regional Office for Bali, as a material for consideration and evaluation of matters relating to the decision process using the BRImo application and the factors that can influence it. The management in improving the decision process using the BRImo application from customers should be able to see and consider factors such as customer experience, online reviews, and perceived risk because these things can affect the decision level to use the BRImo application.

F. Research Limitations

The scope of the research is only limited to customers who use the BRImo application at PT. Bank Rakyat Indonesia Regional Office Bali, so the results of this study may have differences regarding the perception or level of interpretation of each respondent in other companies. This research is only limited to examining the influence of customer experience, online review, and perceived risk on the decision process using the BRImo application, so it cannot examine in-depth factors outside these variables. Further researchers can use other variables related to factors that influence the decision process to use. This research is only carried out for a certain time, while the environment changes (dynamically) all the time, therefore this research is important to be re-examined in the future. This study only used a sample of 100 respondents. Future researchers are expected to increase the number of samples to be studied.

IV. CONCLUSION

Based on the research results obtained, several conclusions can be drawn. Customer experience has a positive and significant impact on the decision process using the BRImo application. This indicates that the better the customer experience felt by the customer in using the BRImo application, the higher the customer's decision to transact using the BRImo application. The online review has a positive and significant impact on the decision process using the BRImo application. This indicates that the better the online reviews provided by the BRImo application users, the higher the customer's decision to use the BRImo application. Perceived risk has a negative and significant effect on the decision process using the BRImo application. This indicates that the lower the customer's perceived risk of the BRImo application, the higher the decision to use the BRImo application. Customer experience, online review, and perceived risk simultaneously have a significant effect on the decision process using the BRImo application. This indicates that customer experience, online review, and perceived risk together can explain the decision process to use.

Bank BRI is advised to provide a more impressive experience for customers using the BRImo application so that customers using the BRImo application can continue to increase their use of the BRImo application service. Bank

BRI must improve the quality of information from the BRImo application by delivering clear and detailed information about the benefits of the BRImo application, the service features of the BRImo application, the ease of use of the BRImo application, and solutions to problems faced by BRImo application users so that online reviews of the BRImo application can be a complete source of information for its users, more active in responding to existing problems, especially overcoming problems related to the BRImo application network system so that transactions made by customers run smoothly and improve the quality of BRImo application products and services so that customers continue to choose to use the BRImo application and do not switch to other digital banking applications.

For further research, it is hoped that it will be able to add variables that can influence the decision process using the BRImo application and can change the research location so that later it can provide a more comprehensive view and will be able to be implemented in general.

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