



The Influence of E-Servqual and Banking Service Quality on Customer Retention Intention in My-BCA Application with Customer Satisfaction as a Mediating Variable

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ABSTRACT

This study aims to analyze the influence of electronic service quality (e-SERVQUAL) and banking service quality (BSQ) on customer retention intention in the MyBCA application, with customer satisfaction acting as a mediator variable. Data was collected through a survey filled out by 384 respondents who are BCA customers and users of the MyBCA application. The analysis method used is Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show that the dimensions of e-SERVQUAL (efficiency, fulfillment, system availability, and privacy) have a positive and significant effect on customer satisfaction. Similarly, the dimensions of BSQ (access, price, ease of use, service portfolio, reliability, and security) also show a positive and significant effect on customer satisfaction. Furthermore, customer satisfaction is proven to have a positive and significant impact on customer retention intention. This research contributes theoretically by expanding the understanding of factors influencing customer satisfaction and retention in the context of digital banking services. Practically, these findings provide insights for the developers of the MyBCA application and BCA management to enhance service quality to retain and increase customer loyalty

INTRODUCTION

The number of internet users in Indonesia in 2024 reached 221,563,479, with an internet penetration rate increasing by 1.4% from the previous year, reaching 79.5%, compared to 78.19% in 2023 (APJII, 2024).

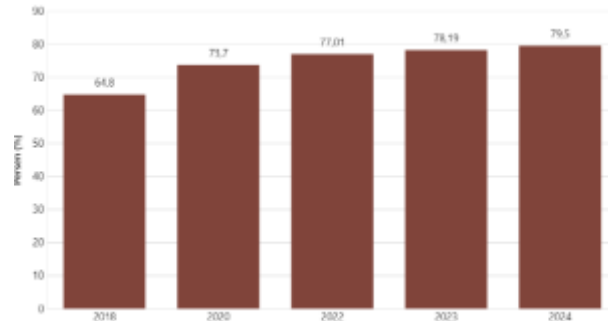


Figure 1. Increase in the Number of Users and Internet Penetration in Indonesia

Source: Databoks, 2024

Among the large number of internet users, one of the main reasons for using the internet is conducting online transactions and accessing financial services. This aligns with the increasing transaction value, which continues to grow year by year. The nominal value of digital banking transactions reached IDR 15,881.53 trillion, representing a 16.15% year-on-year (YoY) growth. The increase in transaction value indicates that digital banking has become crucial to economic activities in Indonesia, and banks that can effectively leverage digital banking will undoubtedly gain significant advantages.



Figure 2. Digital Banking Transaction Value in Indonesia

Source: Bank Indonesia, 2024

BCA Bank itself has recorded the highest transaction value and number of transactions in Indonesia, with a total of 25.6 billion transactions, representing a 27.5% year-on-year (YoY) increase, and a transaction value of IDR 24.825 trillion in 2023 (BCA, 2024).

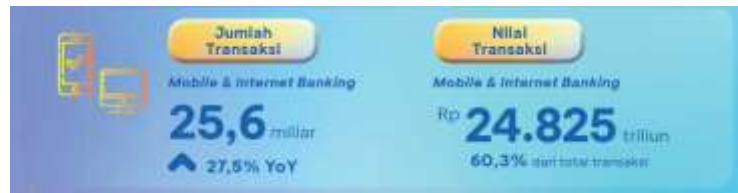


Figure 3. Transaction Volume and Value of BCA Digital Banking

Source: BCA, 2024

Source: BCA, 2024

With the continuously increasing number and value of transactions, BCA Bank recognizes the need to update its application to make it more user-friendly for customers conducting financial transactions. To address this, BCA launched an omni-channel application called *myBCA*, which is expected to become a super app, replacing BCA Mobile and KlikBCA. *myBCA* is also BCA's response to similar omni-channel applications developed by its competitors, such as BRImo by Bank BRI and Livin' by Bank Mandiri. However, since its launch in 2021, *myBCA* has a rating of 3.9 on the Play Store, falling behind competitors like BRImo, which has a rating of 4.7, and Livin', which has a rating of 4.1. Based on the negative reviews, the most common issue is users experiencing difficulty logging into the *myBCA* app, as the login procedure is perceived as inconvenient. Therefore, an analysis of the *myBCA* application is necessary to identify factors that can improve user satisfaction. This analysis can be conducted using the E-Servqual and BSQ methods. The objective of this research is to analyze how the dimensions of E-SERVQUAL influence customer satisfaction among *myBCA* users. Furthermore, the study aims to identify how the dimensions of Banking Service Quality (BSQ) impact customer satisfaction for the application's users. Additionally, it seeks to explore how the interaction between E-SERVQUAL and BSQ dimensions affects customer satisfaction with *myBCA*. Finally, the research intends to examine the effect of customer satisfaction on customer retention intention for the *myBCA* application.

METHODS

This research employs a descriptive quantitative approach with a positivist paradigm and a deductive method. A survey method is applied by distributing questionnaires, conducting tests, and structured interviews in a cross-sectional manner to collect data from the sample at a single point in time. The research variables consist of independent and dependent variables measured using a Likert scale. The study population comprises BCA Bank customers aged 20–40 years who use the *myBCA* application, with a sample size of 384 respondents selected through non-probability purposive sampling. Data collection is conducted online through surveys using closed-ended questionnaires. Primary data is obtained through the questionnaires, with validity tested using construct validity and reliability assessed using Composite Reliability and Cronbach's Alpha. Data analysis involves descriptive analysis and PLS-SEM to examine the relationships between variables and evaluate the reliability and validity of the constructs.

RESULTS

The majority of respondents fall within the age group of 20–25 years, totaling 167 individuals (43.49%). The next largest group is 26–30 years, comprising 137 individuals (35.68%). The remaining respondents are distributed among the age groups 31–35 years, with 61 individuals (16.89%), and 36–40 years, with 19 individuals (4.95%). The study consists of 143 male respondents (37.24%) and 241 female respondents (62.76%). The analysis results indicate that the majority of respondents hold a diploma or bachelor's degree (S1), totaling 272 individuals (70.83%). The next group includes those with a master's degree (S2), totaling 41 individuals (10.68%). The remainder have a high school education, amounting to 71 individuals (18.49%). Most respondents, 290 individuals (75.52%), access the application regularly, while the remaining 94 respondents (24.48%) access it infrequently.

Table 2. Banking Service Quality
Banking Service Quality

| Statement | | Answer Criteria | | | | | Amount | Average | Description |
|--|-----------|-----------------|---|----|----|-----|--------|---------|-------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| Access: The loading time to enter the app is not long | Frequency | 0 | 4 | 21 | 19 | 16 | 384 | 4,357 | Very High |
| | Score | 0 | 8 | 63 | 77 | 83 | 1673 | | |
| It is very easy to log into myBCA app | Frequency | 0 | 3 | 7 | 16 | 20 | 384 | 4,508 | Very High |
| | Score | 0 | 6 | 21 | 66 | 104 | 1731 | | |
| Price: I am charged a fee to use myBCA app | Frequency | 2 | 2 | 29 | 17 | 13 | 384 | 3,984 | High |
| | Score | 2 | 4 | 87 | 70 | 67 | 1530 | | |
| Ease of Use: myBCA app is easy to use | Frequency | 0 | 0 | 8 | 18 | 19 | 384 | 4,487 | Very High |
| | Score | 0 | 0 | 24 | 72 | 97 | 1723 | | |
| myBCA app provides instructions that are easy to understand. | Frequency | 0 | 3 | 12 | 17 | 19 | 384 | 4,456 | Very High |
| | Score | 0 | 6 | 36 | 70 | 96 | 1711 | | |
| I feel comfortable using myBCA | Frequency | 0 | 0 | 18 | 18 | 17 | 384 | 4,419 | Very High |
| | Score | 0 | 0 | 54 | 74 | 89 | 1697 | | |

| Statement | | Answer Criteria | | | | | Amount | Average | Description |
|---|-----------|-----------------|----|----|----|----|--------|---------|-------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| app | | | | | | | 85 | | |
| Service Portfolio: myBCA app provides a variety of transaction features | Frequency | 0 | 3 | 15 | 20 | 16 | 384 | 4,367 | Very High |
| | Score | 0 | 6 | 45 | 81 | 81 | 1677 | | |
| myBCA app continues to add new features to its transaction services | Frequency | 0 | 7 | 26 | 18 | 16 | 384 | 4,323 | Very High |
| | Score | 0 | 14 | 78 | 74 | 82 | 1660 | | |
| Reliability: myBCA app can be accessed anywhere | Frequency | 0 | 3 | 7 | 16 | 20 | 384 | 4,500 | Very High |
| | Score | 0 | 6 | 21 | 67 | 10 | 1728 | | |
| Confidentiality and Security: I feel safe every time I use myBCA app | Frequency | 0 | 0 | 23 | 18 | 17 | 384 | 4,396 | Very High |
| | Score | 0 | 0 | 69 | 74 | 87 | 1688 | | |

Based on the questionnaire data analysis regarding the Banking Service Quality of the *myBCA* application, respondents provided highly positive evaluations across various service dimensions. Access to the application was rated as fast and easy (average scores of 4.357 and 4.508). Users perceived the app as having no fees (score 3.984), indicating positive feedback regarding pricing. The application's ease of use also received high ratings (score 4.487), supported by clear instructions (4.456) and user convenience (4.419). In terms of service portfolio, *myBCA* was seen as offering a wide range of features and continuously developing new ones (scores 4.367 and 4.323). The app's reliability was rated very high (4.5), while the aspects of confidentiality and security were also positively evaluated (4.396).

Table 3. Customer Satisfaction
Customer Satisfaction

| Statement | | Answer Criteria | | | | | Amount | Average | Description |
|---|-----------|-----------------|----|-----|-----|-----|--------|---------|-------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| I recommend myBCA app to others | Frequency | 0 | 12 | 40 | 213 | 119 | 384 | 4,143 | High |
| | Score | 0 | 24 | 120 | 852 | 595 | 1591 | | |
| I am very satisfied with the service I receive from myBCA app | Frequency | 0 | 2 | 30 | 236 | 116 | 384 | 4,214 | Very High |
| | Score | 0 | 4 | 90 | 944 | 580 | 1618 | | |
| Overall, I like the service I receive through myBCA app | Frequency | 0 | 1 | 19 | 228 | 136 | 384 | 4,299 | Very High |
| | Score | 0 | 2 | 57 | 912 | 680 | 1651 | | |

Based on the questionnaire data analysis regarding Customer Satisfaction with the *myBCA* application, respondents demonstrated a very positive level of satisfaction. They were likely to recommend the *myBCA* application to others (average score of 4.143), indicating high satisfaction. Additionally, respondents expressed being very satisfied with the services provided (average score of 4.214) and overall liked the *myBCA* services (average score of 4.299). This indicates that respondents have a very high level of satisfaction with the *myBCA* application.

Table 4. Customer Retention
Customer Retention

| Statement | | Answer Criteria | | | | | Amount | Average | Description |
|--|-----------|-----------------|---|---|----|----|--------|---------|-------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| I would recommend others to continue using myBCA app | Frequency | 0 | 1 | 5 | 17 | 15 | 384 | 4,263 | Very High |
| | Score | 0 | 2 | 5 | 70 | 77 | 1637 | | |
| I intend to continue using myBCA app | Frequency | 0 | 3 | 2 | 18 | 17 | 384 | 4,378 | Very High |
| | Score | 0 | 6 | 6 | 74 | 86 | 1681 | | |
| I intend to | Frequency | 0 | 0 | 2 | 20 | 15 | 384 | 4,336 | Very |

| | | | | | | |
|---|-----|-----|------|------|------|------|
| keep using myBCA app and recommend it to others | y | 6 | 3 | 5 | | High |
| Score | 0 0 | 7 8 | 81 2 | 77 5 | 1665 | |

Based on the questionnaire data analysis regarding Customer Retention with the *myBCA* application, respondents showed a very positive retention level. They expressed a strong desire to recommend the *myBCA* application to others (average score of 4.263) and had a high intention to continue using the application (average score of 4.378). Respondents were also likely to promote the application to others (average score of 4.336), indicating a high level of customer retention. The analysis, using the Partial Least Square (PLS) approach with SmartPLS 4.0 M3 software, measured the validity and reliability of the model as well as the relationships between variables, determining whether the research model is applicable or requires revision.

Table 5. Measurement Model

| Variable | Indicator | Factor Loading | Cronbach's Alpha | Average Variance Extracted (AVE) |
|-------------------------|-----------|----------------|------------------|----------------------------------|
| E-Service Quality | EE1 | 0,772 | 0,882 | 0,5 |
| | EE2 | 0,654 | | |
| | EE3 | 0,756 | | |
| | EF1 | 0,691 | | |
| | EF2 | 0,747 | | |
| | EP1 | 0,749 | | |
| | EP2 | 0,661 | | |
| | ES1 | 0,685 | | |
| | ES2 | 0,724 | | |
| Banking Service Quality | BA1 | 0,762 | 0,888 | 0,518 |
| | BA2 | 0,697 | | |
| | BC | 0,759 | | |
| | BE1 | 0,713 | | |
| | BE2 | 0,665 | | |
| | BE3 | 0,753 | | |
| | BP | 0,467 | | |
| | BR1 | 0,678 | | |
| | BS1 | 0,784 | | |
| BS2 | 0,730 | | | |

| | | | | |
|-----------------------|-----|-------|-------|-------|
| Customer Satisfaction | CS1 | 0,822 | 0,682 | 0,608 |
| | CS2 | 0,761 | | |
| | CS3 | 0,754 | | |
| Customer Retention | CR1 | 0,815 | 0,685 | 0,614 |
| | CR2 | 0,718 | | |
| | CR3 | 0,815 | | |

The results of the measurement model analysis show that there are several variables with loading factor values less than 0.7, indicating that these indicators are not valid and should be removed from the model.

Table 6. Measurement Model

| Variable | Indicator | Factor Loading | Cronbach's Alpha | Average Variance Extracted (AVE) |
|-------------------------|-----------|----------------|------------------|----------------------------------|
| E-Service Quality | EE1 | 0,799 | 0,831 | 0,597 |
| | EE3 | 0,809 | | |
| | EF2 | 0,762 | | |
| | EP1 | 0,782 | | |
| | ES2 | 0,707 | | |
| Banking Service Quality | BA1 | 0,739 | 0,845 | 0,618 |
| | BC | 0,817 | | |
| | BE3 | 0,792 | | |
| | BS1 | 0,811 | | |
| | BS2 | 0,768 | | |
| Customer Satisfaction | CS1 | 0,827 | 0,682 | 0,607 |
| | CS2 | 0,756 | | |
| | CS3 | 0,753 | | |
| Customer Retention | CR1 | 0,815 | 0,685 | 0,615 |
| | CR2 | 0,718 | | |
| | CR3 | 0,816 | | |

After eliminating the invalid indicators (loading factor < 0.7), the measurement model analysis showed improved results. For the E-Service Quality variable, there are 5 valid indicators with a Cronbach's Alpha of 0.831 and AVE of 0.597, meeting the reliability and convergent validity criteria. For the Banking Service Quality variable, 5 valid indicators with a Cronbach's Alpha of 0.845 and AVE of 0.618 also meet the same requirements. In the Customer Satisfaction variable, all indicators are valid with a Cronbach's Alpha of 0.682 and AVE of 0.607, while for the Customer Retention variable, all

indicators are valid with a Cronbach's Alpha of 0.685 and AVE of 0.615, demonstrating adequate reliability and convergent validity.

DISCUSSION

The Effect of E-SERVQUAL on Customer Satisfaction and Customer Retention for MyBCA Application Users: The research findings show that E-Service Quality has a positive and significant impact on Customer Satisfaction, with a p-value of 0.000 and a coefficient of 0.299, meaning that the electronic service quality of MyBCA meets or exceeds user expectations, thereby increasing their satisfaction. Additionally, E-Service Quality also has a positive and significant impact on Customer Retention, with a p-value of 0.000 and a coefficient of 0.277, confirming that high service quality encourages users to remain loyal to the app. This is consistent with previous research that states that electronic service quality enhances customer satisfaction and loyalty. These findings provide important insights for MyBCA's management strategy, emphasizing the need to improve ease of use, service speed, and security features to maintain customer satisfaction and retention, thereby strengthening MyBCA's position in the digital banking market.

The Effect of Banking Service Quality on Customer Satisfaction and Customer Retention for MyBCA Application Users: The statistical test results show that Banking Service Quality has a positive and significant effect on both Customer Satisfaction and Customer Retention, with p-values of 0.000 and coefficients of 0.290 and 0.265, respectively. This confirms that the higher the quality of banking services, such as confidentiality, security, and service portfolio, the greater the level of satisfaction and loyalty among MyBCA users. Factors like security and the completeness of transaction features provide users with a sense of safety and comfort, reinforcing customer retention. These findings align with previous research stating that banking service quality affects customer satisfaction and loyalty. Therefore, banks must continue to innovate in improving service quality to remain competitive in the digital banking market.

The Effect of Customer Satisfaction on Customer Retention Intention for MyBCA Application Users: The research findings indicate that Customer Satisfaction significantly influences Customer Retention Intention, with a p-value of 0.000, indicating a strong relationship. Increased customer satisfaction encourages their intention to continue using the service and recommend it to others. The dimension of Customer Satisfaction, such as recommending the MyBCA app, shows the highest loading factor (0.826), which directly impacts customer retention. This research highlights the importance of enhancing the quality and services of the MyBCA app to maintain long-term customer satisfaction and loyalty, providing a basis for strategic decision-making at BCA.

Effect of E-SERVQUAL and Banking Service Quality on Customer Retention Intention for MyBCA Application Users through Customer Satisfaction as a Mediator: The research findings show that Banking Service Quality positively and significantly influences Customer Retention through Customer Satisfaction, with good banking service quality enhancing user satisfaction and encouraging customer retention. Factors such as security,

confidentiality, and a comprehensive service portfolio play an important role in building trust. Additionally, E-Service Quality also has a positive effect on customer retention through satisfaction, with aspects such as ease of use and speed of the MyBCA app meeting user expectations, increasing satisfaction, and promoting customer loyalty.

CONCLUSIONS AND RECOMMENDATIONS

Based on the research findings, the E-SERVQUAL (E-Service Quality) dimension has been shown to have a positive and significant impact on Customer Satisfaction. MyBCA app users are satisfied with the ease of use, speed of access, and functionality of the app, which aligns with their expectations and directly increases their satisfaction levels. Furthermore, the Banking Service Quality (BSQ) dimension, which includes aspects such as confidentiality, security, and a diverse service portfolio, also has a positive and significant effect on Customer Satisfaction. Users feel that the MyBCA app is secure and capable of meeting their various banking needs, which enhances their satisfaction. The interaction between the E-SERVQUAL and Banking Service Quality dimensions also demonstrates a significant influence on Customer Satisfaction. The combination of good electronic service quality with secure and reliable banking services strengthens the user experience, ultimately improving overall satisfaction. Additionally, Customer Satisfaction has proven to play a crucial role as a mediator in influencing Customer Retention Intention. Customers who are satisfied with MyBCA services are more likely to continue using the app and recommend it to others, demonstrating their intention to remain loyal to MyBCA in the future.

It is recommended that MyBCA management continue to strengthen the digital security system and protect user data privacy. Security has proven to be a key factor in building user trust in the app, so improvements in this area will help retain and increase customer retention. Additionally, the bank should innovate by developing a diverse service portfolio that is relevant to modern user needs. Adding new, flexible features will enhance user satisfaction and loyalty. Ease of use should also remain a priority as part of E-Service Quality. Management is advised to conduct periodic evaluations of the app's performance, ensuring an intuitive interface and a positive user experience. Finally, focusing on customer satisfaction is critical, as it has proven to be a key mediator in customer retention. Therefore, BCA should implement strategies that can enhance satisfaction, such as improving customer service and offering loyalty programs for loyal customers..

FURTHER STUDY

This study still has limitations so that further research is needed related to the topic of The Influence of E-Servqual and Banking Service Quality on Customer Retention Intention in My-BCA Application with Customer Satisfaction as a Mediating Variable in order to perfect this study and increase insight for readers.

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