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Public relations strategy of PT. Bank Central Asia in building corporate image through digital banking program

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Abstract. Challenges in the digital era have entered into various fields, including banking. The banking world, inevitably, has to adjust and transform to follow such developments. Public Relations plays an important role in educating the various parties who will be involved in this change. Public Relations is required to maintain the image and reputation of the institution it represents. The purpose of this research is to find out and analyze the strategy of public relations of PT. Bank Central Asia in building the corporate image through digital banking, using a qualitative research approach with a case study research method. Data collection techniques were conducted using in-depth interviews, observations, and relevant literature studies. The results show that PT Bank Central Asia is aware of the current era of technology disruption, and is moving to face dynamic changes and adapting to existing technological developments, in addition to also performing digital transformation. Public Relations strategies used through the use of digital banking to build an image include: a) research / data collection to determine the problems faced, then b) prepare a plan, c) implementation which includes promotion of digital banking and customer education, and d) evaluation to monitor the implementation that has been carried out whether it is in accordance with the objectives.

Keywords. Communication Strategy, Public Relations, Digital Banking, Image

I. Introduction

The development of technology has forced the banking industry to transform. Digital transformation in the banking industry has become a necessity. In addition to the demands of the times, existing technological developments will facilitate company operations, support innovations and make customers comfortable in transactions. All organizations both government and private that provide services are required to continuously make improvements, refinements, and even new strategies in dealing with the public (Cutlip, Center, and Broom, 2006: 287). The public or society has changed for the better. Now people are getting smarter and more active in finding the information they need (Yuliawati and Irawan, 2016: 212).

PT. Bank Central Asia is the largest private bank in Indonesia. This bank was established on February 21, 1957. PT Bank Central Asia (BCA) is one of the private banks in Indonesia that has adapted to today's technological advances. It is also one of the banks with very rapid digital growing. Digital banking provided by PT. Bank Central Asia is one of the factors that really differentiates it from other banks in Indonesia.

Currently, the expectations of customers in bank services are speed and accuracy, so that banks are competing to always innovate in providing their service products (Ismail: 2010).

One of the steps that BCA has taken is to develop digital innovation in its services. BCA has carried out a number of digital transformations in various aspects of its services, such as internet banking, mobile banking, customer chatbot service, customer digital assistant Vira, digital payment Sakuku services, to the latest transfer feature using a QR code to fellow BCA customers. Services that can satisfy customers are fast and accurate services.

Advances in technology also require Public Relations to be able to adapt to these advances. An organization, including in the realm of banking, must carry out PR activities so that the organization has a good image to its audiences. For this reason, the need for an appropriate and continuously designed strategy is an absolute step that must be taken by an organization. Communication According to Smith (2005: 3) in "Strategic Planning for Public Relations" are communication activities or campaigns that are informational or persuasive in nature to build understanding and supporting an idea, idea or case, planned product or service that carried out by an organization, both profit-oriented and non-profit, has goals, plans and various alternatives based on research and has evaluation. The public relations strategy is "The optimal alternative chosen to be pursued in order to achieve the objectives of public relations within the framework of a public relations plan (Ruslan, 2014: 134). Strategy is an integral part of a plan, while the plan is a product of the planning process, which is ultimately planning is one of the basic functions of the management process (Ruslan, 2014: 133).

II. Research method

This study uses a qualitative research approach. Qualitative research aims to explain the phenomenon in depth through data collection as deep as possible (Kriyantono, 2012: 56). This qualitative research uses the case study method, which researchers conduct in-depth exploration of programs, events, processes, activities, to one or more people. A case is bound by time and activity; researchers carry out detailed data collection using various data collection procedures and in Continuous time (Sugiyono, 2011: 14).

In this study, through in-depth interviews, this interview was conducted with high frequency (repeatedly) intensively (Kriyantono, 2008). In addition, through observation, which includes making systematic observations and recording events, behaviors, objects seen and other things needed to support the research being carried out. In the early stages of general observations, the researcher collected as much data or information as possible. The next stage, researchers must make focused observations, namely starting to narrow down the data or information needed so that researchers can find patterns of behavior and relationships that continue to occur (Kriyantono, 2008). In addition, it is also supported by written sources that can be divided into book sources, scientific magazines, sources from archives, personal documents and official documents.

Data analysis techniques in this research are efforts made by working with data, organizing data, sorting them into manageable units, synthesizing, looking for and finding patterns, finding what is important and what is learned, and deciding what to tell others (Moleong, 2011).

III. Research results and discussion

BCA continues to grow with the cooperation of all employees and the full support of the customers. Having a commitment to "Always by Your Side", BCA continues to maintain the trust and expectations of customers and stakeholders, in order to achieve sustainable growth. The various products and services offered are of high quality and on target. Besides, every BCA financial solution supports the development of every type of business owned by customers, whether small, medium or large-scale businesses.

The rapid development of information and telecommunication technology has created new needs for banking products and services that are more practical and convenient. BCA's information technology plays an important role in contributing to the innovations made by the bank's business lines with the aim of offering products and services oriented to customer needs. Various and innovative initiatives are continuously being developed to create customer convenience in making transactions using digital technology. BCA is continuously improving internet banking and mobile banking as well as improving e-commerce payment systems to remain at the forefront of technological innovation in Indonesia.

A. Functions of Branch Offices in the Digital Banking Program

BCA continues to build synergies between branch offices and digital networks to strengthen network multi-channel integration. The function of the branch office is to act as an important contact point in strengthening relationships with customers (interviews with managers of the Business Park branch).

The communication strategy in the digital banking program is related to the operational activities of branch offices. Apart from being beneficial in improving operational efficiency, development of an electronic banking network was also carried out to improve customer experience in using the Bank's products and services. The central BCA management carries out various communication steps with all BCA branches in Indonesia through forum services and the head of branch offices forum which is held annually. These forums are held with the aim of conveying BCA management directions and work plans, as well as a means of communication and sharing.

B. Digital Banking

Digital banking is an electronic banking service developed by optimizing the use of customer data in order to serve customers faster, easier, and according to needs (customer experience), and can be carried out entirely independently by customers, with due regard to security aspects.

Digital banking is conducted by BCA for the following reasons:

- 1) Everything is online. Currently, banks are competing to accelerate digital transformation. In fact, the latest data states that the growth of online activities at banks that implement digital banking can reach 88%. It can be accessed at any time. Unlike conventional businesses, digital businesses allow consumers to be served 24 hours a day. In addition, product purchases also do not need to wait for operational opening hours. Digital banking offers the same benefits. More Secure
- 2) Digital transactions promise better security for customers. Current technology allows advanced encryption to protect customer privacy every time you make a transaction. On the other hand, customers do not need to withdraw cash in cash, as is usually done. Apart from making transfers easier online, it can minimize the threat of crime.
- 3) It offers many conveniences. For the bankers, digital banking offers a more simple process, both in terms of authorization and transactions carried out. Thus, all activities can be done faster. On the customer side, they no longer need to queue at the counter just to get service. All services can be accessed through the website or application provided. More Cost Effective. One of the advantages of digital transformation is efficiency. No need to print out or provide transaction forms. Everything can be accessed and done paperless.

Several digital banking services include:

a. Internet banking

Customers can perform banking transactions (financial and non financial) through a computer connected to the bank's internet network. Types of internet banking transactions, among others, fund transfers, balance information, account transfers, exchange rate information, bill payments (for example: credit cards, telephone, cellphone, electricity), purchases (for example: phone credit top up, airplane tickets, stock).

b. Phone Banking

Customers can make banking transactions by telephone where the customer connects to the contact center of the bank. The bank has provided special staff who will carry out customer transactions or automatic programs that can interact with customers to carry out customer transactions. Types of phone banking transactions include, fund transfers, balance information, account mutations, payments (credit cards, PLN, telephone, cell phones, electricity, insurance), purchases (top-up mobile recharges).

c. SMS Banking

SMS Banking is a banking transaction service that can be done by customers via cellular telephones (cell phones) in the format Short Message Service (SMS). The customer can send an SMS to the bank's phone number or use an application installed by the bank on the customer's cellphone.

d. Mobile Banking

Mobile Banking is a banking service that can also be accessed directly via cellphone such as SMS Banking, but has a higher level of sophistication. The bank works closely with cellular operators, so that the Global for Mobile communication (GSM) SIM Card has installed a special program to be able to conduct banking transactions.

e. Customer Service Digital

This application is in the form of a machine provided at a branch. Through Digital CS, customers can print cards independently. In addition, the functions of this machine include; change the type of card, replace the card if lost, change the card if it is damaged, replace the card if you forget the PIN.

f. ATM STAR (Deposit and Withdraw)

Through the ATM STAR, customers can perform various transactions such as cash withdrawals, cash deposits, transfers, payments or purchases without the need to move from one ATM machine to another. In addition to making transaction times more efficient through ATMs, the implementation of the ATM STAR will also help reduce queuing build-up at one of the machines in the ATM gallery.

C. Public Relations Strategy of PT. Bank Central Asia

The main target of a service company is to provide the best service to its customers. Likewise, what BCA has done in this regard. Seeing the development of the industry towards digital, BCA continues to innovate to create easy, fast and convenient services for its customers. PT. Bank Central Asia is one of the banks that has used digitalization in its banking system. This bank has successfully combined its banking functions into a wider network with a network on the business platform. With this digital banking program, it is hoped that it can improve the

company's image, so the researchers describe the communication strategy of these activities as follows.

Communication strategy is a communication plan and communication management to achieve a goal. To achieve this goal, the communication strategy must be able to show how its operation is tactical in the sense of the word that approach can be different from time to time depending on the situation and conditions. PT. Bank Central Asia is currently preparing a strategy to build a corporate image through its transformation to digital banking.

In general, the stages of the strategy carried out include:

1. Research

Research is intended to identify problems faced by an institution. This stage is also the stage of fact finding. PT Bank Central Asia realizes that in the current technology disruption, every industry must be ready to move to face dynamic changes. The financial and banking industries inevitably have to adapt to existing technological developments. Therefore, regardless of changing lifestyle patterns, mobility, and customer needs, banks must be ready to carry out digital transformation. BCA has made service innovations in a digital direction, in order to provide faster, more comfortable and safer services. Customers can now carry out banking activities anywhere and anytime with various BCA applications. In addition, for processes at branches such as printing books and anti-cards, BCA already has its own machine that can be used by direct customers.

2. Planning

Planning is the process of preparing future steps intended to set strategic goals and designing strategies to achieve these goals. Thus, in the planning stage, a strategy is needed regarding the selection or determination of sources (communicators), messages, media, targets (communicants), and expected effects.

Communicator

Communicator is someone who conveys messages in communicating. In this case, the communicators are all employees of PT Bank Central Asia Tbk, especially those who are directly dealing with customers. Like the CS and Teller departments at branches who directly interact with customers, they act as communicators to inform customers about digital banking.

Message

Message is something that is conveyed by the communicator. The message can be an information which then the communicant (the recipient of the message) can conclude by themselves. The message that PT Bank Central Asia delivers to its customers is a message that contains information and an explanation of the functions and benefits of digital banking..

Media

Media is the most important part in conveying messages, because media is the most powerful intermediary in communicating. The media used by BCA in this digital banking program are social media such as Instagram, Twitter, And Website. The use of social media is considered to be more effective and efficient because in the condition of today's increasingly sophisticated technology, there are no people who do not use social media. In addition, BCA also uses Info BCA magazine to provide information to internal parties.

Target

The target of communication is someone who receives the message conveyed by the communicator. The target of communication in this digital banking program is, of course, customers from PT Bank Central Asia from all levels.

Effects

Effects are the end result of a communication, namely the attitudes and behavior of a person. The effect that is given after conducting socialization related to the digital banking program is that customers will better understand and understand the functions and benefits of digital banking.

3. Implementation

Implementation is an action taken in the framework of implementing the formulation of a strategy that has been made. The implementation stage in an institution means organizing all the divisions in the company to carry out the agreed plan. The forms of activities carried out by PT Bank Central Asia in this digital banking program are as follows:

a) Digital Banking Promotions

Several products owned by BCA that are combined with modern technology include KlikBCA and BCA Mobile which are used for electronic banking access. BCA provides online payment and purchase facilities through ATMs and is the first online bank in Indonesia with various services.

b) Customer Education

Maintaining good relationships and communication with customers is a form of service to customers, as well as to create a good image in the eyes of customers of the company.

The communication strategy in enhancing the image has its own way of forming a positive opinion from the public towards the company. Particularly customers as users of banking services. Reynaldi Riansyah as the head of Business Park branch stated:

“Currently BCA provides services to all digital customers, what we are doing is how to provide information and educate customers about digital banking, both through social media, and education to every customer who comes to the branch and events carried out”

The implementation of a digital banking communication strategy in enhancing customer image is carried out by providing information on products and services that are the best in responding to various customer needs in an era of increasingly rapid information technology. Education provided to customers via social media or by each branch to customers who come, is a communication strategy in developing services in the digital banking program. With education, of course, it will make customers know, understand and be interested in using digital banking in making transactions using BCA.

4. Evaluation

Evaluation is needed in a strategy, to monitor whether what is implemented is in accordance with the objectives or not. In this case PT. Bank Central Asia conducts monitoring to monitor the strategies implemented according to the stated objectives or not. The following is the explanation of Mr. Reynaldi as the head of the BCA branch:

“The use of digital banking at branches such as star teller machines, DigitalCS, and e-branch, we receive daily reports from the center. We have an achievement target as well, so when it is not achieved or achieved, there is a report immediately”.

In this digital implementation, the head office of PT. Bank Central Asia monitors the use of digital banking in each branch. This aims to see whether digital banking is optimal in use or not.

BCA's existence in digital services continues to be demonstrated, as explained by one source who stated that digital payment has also shot tremendously. Previously, it only increased by 2-3% per month, now it has increased to 20-30 percent cumulatively, and the number that uses it is much higher than that of ATMs (Automatic Teller Machines).

D. Obstacles in Implementing Digital Banking Communication Strategy

In implementing the digital banking communication strategy, of course there are several obstacles, as explained by Mr. Reynaldi Riansyah as the head of the Business Park branch as follows:

“Obstacles must exist, for example these customers are not only millennials. But from those who are old too, it's quite difficult when we educate them about digital banking. Because if you are old you don't understand technology. For now it doesn't matter because you can still use regular slips. However, if digital banking becomes permanent, maybe all people should be able to use digital banking”.

This is of course an obstacle in this digital banking program, apart from the lack of understanding of technology there are also some obstacles that are also experienced. As the following explanation:

“Other problems are, especially for digital machines in this branch, sometimes we experience error problems so that they cannot be used. On a star machine, sometimes the money entered by the customer often gets stuck, which results in the amount of money that does not match. In the end, this makes customers complain and don't want to use deposits in the star machine anymore.”

Based on this explanation, it can be concluded that the application of digital banking is not running smoothly because it is still experiencing several obstacles in the application process. However, this is not that difficult for the program.

IV. Conclusion

The application of digital banking is not running smoothly because it is still experiencing several obstacles in the application process. However, this is not that difficult for the program. PT Bank Central Asia realizes that in the current technology disruption, every industry must be ready to move to face dynamic changes. The financial and banking industries inevitably have to adapt to existing technological developments. Therefore, regardless of changing lifestyle patterns, mobility, and customer needs, banks must be ready to carry out digital transformation.

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