



Business Process Reengineering in Increase Brand Awareness SKYZ Card



Muchson^a
Sihwahjoeni^b

Article history:

Received: 10 December 2017

Revised: 5 April 2018

Approved: 20 April 2018

Published: 31 May 2018

Keywords:

Brand awareness;

Business process reengineering;

Abstract

Mandiri SKYZ card (travel card products) is a master card credit card rebranding titanium to facilitate customers who often abroad. This study aimed to analyze the effect of business process reengineering in the face of the offensive marketing to increase brand awareness SKYZ Card. The sample in this study as many as 100 people. The analysis technique used is simple regression analysis. The analysis showed that the business process reengineering significant effect on Brand Awareness SKYZ Card. This shows that the better Business process reengineering can improve brand awareness. Therefore, in the face of the offensive marketing need to design the look of the existing SKYZ Card website in order to become more attractive.

2395-7492© Copyright 2018. The Author. Published by IJCU Publishing.

This is an open-access article under the CC-BY-SA license

(<https://creativecommons.org/licenses/by/4.0/>)

All rights reserved.

Author correspondence:

Muchson

Faculty of Economics and Business, University of Merdeka Malang, Indonesia.

Email address: muchson17@yahoo.com

1. Introduction

In the banking industry in Indonesia, Bank Mandiri became the biggest bank to replace the position of Bank BNI and Bank BCA (Setyowati and Slamet, 2009). This situation requires that the Bank of adaptive and adaptable to change. On the condition of competition is very hard, life is a marketing organization (marketing). Today (Nelson and Wixom, 2015) the combination of marketing built by companies have shifted from the 4-P (product, price, place, promotion) into 4-C (customer solution, cost, convenient channel, communication).

Mandiri SKYZ card (travel card products) is a master card credit card rebranding titanium to facilitate customers who often abroad. Jaya and Ekawati (2012) business process reengineering (BPR) or business process reengineering is the fundamental rethinking and redesign of business processes radically, resulting from organizational resources available. BPR (Jao and Pagulang 2011) also rethink how they do business management that can improve services to customers, cut operational costs, and become world-class competitors.

Chia (2015) increasingly tough competition in the banking business and the increasing sophistication of customers demanding service and banking products optimally. It requires that each player in the banking industry can make the customer as the focus of their services, which can be done with the integrated marketing (Manganelli

^a Faculty of Economics and Business, University of Merdeka Malang, Indonesia

^b Faculty of Economics and Business, University of Merdeka Malang, Indonesia

and Klein, 2014). Strategy development and implementation in developing a vision for the level of interest in the market organization, market selection strategy, target market selection and product development (Hammer, 2013) a series of marketing activities. Marketing activities in banking are more focused on how banks create an effective and efficient system for the analysis of marketing planning and control is good and true (Nelson and Wixom, 2015).

Setyowati and Ciptono (2009) examined the implementation of BPR in Travel Bureau Hajj and Umrah by using four important keywords that are interrelated, that is fundamental, radical, dramatic, and processes. Powered by Jao and Pagalung (2011) by using the "four-point diamond business systems", from developing the vision and objective process to identify the process, understand and take measurements, and identifies the information technology supporting the private hospital, the results are significant at alpha 5%. DeLone and McLean (2010) examined the development of a new marketing strategy to improve brand image, the result is that the brand image marketing mix increased significantly. This research was supported by Champy (2009), which uses segmenting, targeting and positioning in dividing the entire market by choosing the best segments, and devise an appropriate strategy to serve a selection of segments generate more profit than its competitors. Research Similar to increasing brand awareness of medicinal products by setting market targeting is done by Chia (2015) results are significant, that using five patterns to enter target markets, namely: single-segment concentration, selective specialization, product specialization, market specialization, and full market coverage will increase brand awareness. Contrary to the research conducted by Hedstrom (2013) focuses on the marketing mix, the result is that the sachet-shaped product sales in the pharmaceutical industry are more accepted by the market.

Hammer (2013) brand awareness is the ability of a consumer to identify and recall a brand that refers to a particular product. A strong brand image makes it an easy product to be selected and used by consumers (Jaya and Ekawati, 2012). Research marketing services company to increase brand awareness, do Manganelli and Klein (2014), in the pharmaceutical companies are trying to provide solutions in the form of health products with the composition of the classified food supplement containing antioxidants that can neutralize toxic substances that settle in the body due to various pollution, the results are significant at alpha 5%. Unlike the Malmi and David (2008) focus research on brand awareness by using a slogan or jingle catchy and appealing to the pharmaceutical industry, the results were not significant. Research in some state banks to get customers' user cards is done by Nicolaou (2012) using the approach of brand awareness by using a message that is memorable and unique and have a relationship between the brand and the product categories of banking, using a slogan or jingle that is easy to remember, wear symbols easy to remember, and repetition to help customers build a memory of the brand, with a sample of platinum credit card users, the results are significant. Whelan and NcNamara (2014) examined the marketing in conjunction with brand awareness in the pharmaceutical industry by focusing only on the two target markets, the namely selective pattern of product specialization and market specialization by using a sample of patients with a particular disease, the results are significant.

Setyowati and Ciptono (2009) examined the picture BPR implementation and evaluation of continuous process improvement in outpatient pharmacy unit PKU Muhammadiyah Hospital in Yogyakarta. The result is that the implementation of BPR is done by setting the vision and mission and create an organizational structure for the first time in inpatient units. Powered by Jao and Pagalung (2011) by integrating standard operating procedure at the service of patients in each group Installation Care Unit (ICU) with the addition of activities. In this case, the continuous process improvement is done by creating new programs on an ongoing basis in accordance with the target set by the management, the results are significant.

There are four indicators that can be used to determine how much consumers aware of a brand, among others (Kriyantono, 2013: 26), Recall is how much the consumer can recall when asked what brands are remembered; Recognition is how much consumers can recognize the brand included in a particular category; Purchase that is how much the consumer will enter into a brand of alternative choices when buying products/services; Consumption is how much consumers are still considering a brand while using the products/services of a competitor; Research on BPR to increase brand awareness in the banking sector performed by Hedstrom (2013) by using the approach of Porter's Five Forces Model states that the decision makers have to have goals, opportunities, and resources that support so that it can maintain its position and be able to use these forces to win the competition. In contrast to research Setyowati and Ciptono (2009) for the insurance services industry, using symbols associated with the brand and product categories as well as repetition to help customers build a memory of the brand, the results were not significant.

Mandiri SKYZ Card is suitable for use by customers who like traveling. SKYZ Card is a card exclusive or for travelers who frequently travel around the world. Credit cards are convenient and easy to complete the traveling needs, with new and exciting designs. A number of fees for credit card users Mandiri SKYZ distinguish between the

primary cardholder and the additional cardholder. For the primary cardholder IDR 25,000 per month, while the additional cardholder IDR 15,000 per month, with each SKYZ Mandiri credit limit, is IDR 5,000,000 - IDR 30 million per month. The advantages for credit card users Mandiri SKYZ are: best forex rate, double fiesta point, advance miles, airport facilities log, mileage redemption, travel accident insurance, travel inconvenience insurance, and purchase protection insurance. The terms and conditions for credit card users Mandiri SKYZ are a minimum income of Rp. 3,000,000 minimum age for primary card holders 21 years and over and 17 and over for additional cardholder, a minimum payment of 10% of the monthly bill. Other terms and conditions are a late payment fee of 3% of the total bill or a maximum of IDR 150,000, the maximum cash withdrawal limit of 60% of the loan with 60% cash withdrawal fee, cash withdrawal interest rate of 2.95% per month of a number of cash withdrawals. How to apply SKYZ Card is by enclosing copies of documents, both for prospective users' employees, entrepreneurs, professionals, as well as military/ police/civil servants. The documents required include a photocopy of ID/ Passport and KITAS (for foreigners), a copy of the last 3 months of savings accounts, proof of income and others. From the results of rate respond SKYZ Card users can be concluded that customers tend to like SKYZ Card credit card than other products due to higher brand awareness, practical and easy. SKYZ Card is said to have a high brand awareness by making it easier for customers to recognize and recall the brand that refers to the credit card. In addition, SKYZ Card is an easy and practical way to get it, using a message that is memorable and unique, as well as the relationship between the brand and the product categories of credit cards.

The marketing strategy consists of the analysis, strategy development, and implementation in developing a vision for the organization's level of interest in the market. Market selection strategy, selecting target markets, and the development, implementation, and program management strategies, positioning and marketing are designed to find a value that is desired by consumers in each market targeted (Chia, 2015). The marketing mix can be categorized into marketing strategy (Supranto, 2011), namely a set of tactical marketing tools and controlled, which are incorporated by the company to produce the desired response target market. Whelan and McNamara (2014) stated that the marketing mix consists of all the possibilities that can be done to influence the demand for its products. This is supported by the Christopher and Kihn (2008) that such possibilities can be classified into four groups used with Four P, which consists of product, price, place, and promotion. In another study Hammer (2013) using an effective marketing program to integrate all marketing elements into a coordinated program designed to achieve the company's marketing objectives by offering value to consumers. Viewed from the side brand awareness, Hedstrom (2013) in the pharmaceutical companies are trying to provide solutions product marketing detoxification of toxins in the body due to air pollution which contains antioxidants that can neutralize toxic substances that settle in the body due to various pollution. Research using brand awareness in the form of a jingle is catchy and attractive to consumers, the results are significant.

2. Research Methods

This study used primary and secondary data. The primary data obtained from direct field observations and questionnaires using a Likert scale. In this case the object of research in several branches of Bank Mandiri as many as 48 branches in the city and Malang and interviews directly with the customer. Secondary data were obtained from a previous study and address directory branches of Bank Mandiri in Malang. The data collected in this study is used to test hypotheses or answer questions that have been formulated. The data obtained will be used as the basis of the results, therefore, the data must be sourced from a data source, so that the correct data collection instruments. The analysis technique used is a simple linear regression analysis.

3. Results and Analysis

3.1. Description of Respondents

Description of the study sample, the total sample is 96 customers, which is divided into 48 branches in Malang City. Of the 96 such customers, 53 respondents (55.2%) of female sex and 43 respondents (44.8%) are male. Judging from the level of education, respondents were educated past high school as much as 43.8%, 15.7% as much Diploma, Bachelor of as much as 33.8%, while the remaining 3.8% last education courses. Respondents who use SKYZ CARD as much as 89.5% while the remaining 10.5% use e-money and platinum cards. Respondents who worked as private as much as 37.6%, while 29.5% while working as a civil servant, self-employed by 10.5%, and the remaining 22.4% worked in other fields.

3.2. Analysis Linear Regression Simple

From the results of data processing using SPSS 15 for windows obtained results of such analyzes in the following table:

Table 1
Recapitulation Simple Linear Regression Analysis

Variable	Regression coefficients	t _{count}	Sig.	Information
Business process reengineering	0.841	12.769	0.000	Significant
Constanta	0.511			
R	0.790			
R square	0.625			
n	100			
Dependent variable = Brand awareness (Y)				

Sources: Primary data is processed.

Based on the recapitulation table, the obtained multiple regression equations as follows:

$$Y = 0.511 + 0.841X$$

Based on these equations can be explained as follows: $a = 0.511$ is a constant, which means that if the variable business process reengineering is 0, then the magnitude of the variable brand awareness of 0.511. Regression coefficient (b) = 0.841 is the independent variable regression coefficient business process reengineering, the regression coefficient is positive indicates business process reengineering influence the direction of the brand awareness, means the better business process reengineering will cause increased brand awareness. While the influence of business process reengineering of the brand awareness of 0.841.

The value of the multiple correlation coefficients (R) of 0.790 indicates a strong link between business process reengineering with brand awareness. Multiple regression calculation results in Table 1, it can be seen the value of the coefficient of determination (R square) of 0.790. The coefficient of determination this means that business process reengineering able to contribute to brand awareness by 79%, while the remaining 21% is caused by other variables not included in the study.

3.3. Hypothesis testing

To test the first hypothesis which states that the business process reengineering significant effect on brand awareness by using the t-test. The results of the regression analysis obtained by value $t = 12.769$ while the value table = 2.000 so $t_{\text{count}} > t_{\text{table}}$ or significance value $0.000 < 0,05$ so H_0 refused or H_a accepted, and proven business process reengineering variable significant effect on brand awareness (Y). Thus the hypothesis is statistically acceptable or tested.

3.4. Discussion

From the results of descriptive statistical analysis known that Business process reengineering significant effect on brand awareness. This shows that the better Business process reengineering can improve brand awareness. Therefore, in the face of the offensive marketing need to design your website look SKYZ Card that exist in order to be more attractive to be seen by potential customers and allows customers who often abroad with the appearance of the website SKYZ Card beautiful, and increase the information provided via the website so that customers can find out all the information needed to complete, correct and clear. Powered by [Whelan and McNamara \(2014\)](#) which states that the famous brand SKYZ Card is the greatest asset that should still be maintained. The brand has a very important role for companies that market them. The brand is a name, sign, symbol, design or combination is intended to identify and differentiate goods or services from a seller of goods and services from other sellers.

From the results of descriptive statistical analysis known that Brand awareness is a common goal of marketing communications, their expected high brand awareness whenever needs arise category, the brand will be recalled from memory hereinafter be considered various alternatives in decision making. Demonstrates knowledge of customers' brand awareness of the existence of a brand, also showed a high level of customer loyalty from the user card. This means that the loyalty shown by Bank Mandiri as the first choice bank by customers that are not replaceable by other competing banks.

At this stage the researchers measured how much influence the independent variables, Business process reengineering (X), the dependent variable is the Brand awareness (Y) with indicator recall, recognition, purchase, and consumption. From the analysis of these data, it can be seen that the recall is to determine how far the customer can recall when asked banking products that customers select. Recognition to find out how much customers recognize banking products that customers select. Purchase to find out how much customers will decide to choose a service banking products compared to other products. While consumption to measure how much the customer is still considering banking products when the customers know the product/service banking competitors. From the analysis, it is known that the recognition indicator (4.3) gives the largest contribution to brand awareness. While indicators of consecutive rank that purchase (4.1), consumption (4) and recall (3.8).

4. Conclusion

Business process re-engineering significantly affects brand awareness. In this case, brand awareness is a common goal of marketing communications. Brand awareness shows the customer's knowledge of the existence of a brand, also shows the high level of loyalty of the customers of the user card. This means that loyalty to Bank Mandiri is demonstrated by Bank Mandiri as the first choice bank by customers who are not replaced by other competing banks.

Acknowledgments

Thanks to the Higher Education Research and Technology Ministry who has funded Applied Product Grants. Thanks to PT. Bank Mandiri (Persero) Malang Branch as the object of research, and customers who have become respondents.

References

- Arikunto, S. (1993). *Prosedur Penelitian Komunikasi Suatu Pendekatan Praktek*.
- Champy, J and Hammer, M. (2011). *Reengineering the Corporation: A Manifesto for Business Revolution*. *Accounting Journal*. New York: Happer Collins.
- Chapman, C. S., & Kihn, L. A. (2009). Information system integration, enabling control and performance. *Accounting, organizations and society*, 34(2), 151-169.
- Chia, Y. M. (1995). Decentralization, management accounting system (MAS) information characteristics and their interaction effects on managerial performance: a Singapore study. *Journal of Business Finance & Accounting*, 22(6), 811-830.
- Delone, W. I., & Mclean, E. P. (2010). Information Systems Success: The Quest for the Dependent Variable. 1992. *Information Systems Research*, 3(1).
- Grover, V., Jeong, S. R., Kettinger, W. J., & Teng, J. T. (1995). The implementation of business process reengineering. *Journal of Management Information Systems*, 12(1), 109-144.
- Hammer, M. (1990). *Beyond reengineering: How the process-centered organization is changing our work and our lives*.
- Hedström, P., & Swedberg, R. (1996). Rational choice, empirical research, and the sociological tradition. *European sociological review*, 12(2), 127-146.
- Jao, R. and Pagalung G. (2011). *Business Process Reengineering*. *Journal of Accounting*. New York: Happer Collins.
- Jaya, E. P. (2012). *Business Process Reengineering and Cost Benefit Analysis: Case Study on Tax Penalty Avoidance at ConocoPhillips Indonesia Inc* (Doctoral dissertation, Universitas Gadjah Mada).
- Kawiana, I. G. P., Dewi, L. K. C., Martini, L. K. B., & Suardana, I. B. R. (2018). The influence of organizational culture, employee satisfaction, personality, and organizational commitment towards employee performance. *International Research Journal of Management, IT and Social Sciences (IRJMIS)*, 5(3), 35-45.
- Kriyantono, R., Sos, S., & Si, M. (2014). *Teknik praktis riset komunikasi*. Prenada Media.
- Malmi, T., & Brown, D. A. (2008). Management control systems as a package—Opportunities, challenges and research directions. *Management accounting research*, 19(4), 287-300.
- Manganelli, R. L., & Klein, M. K. (1994). *The reengineering handbook: a step-by-step guide to business transformation*.
- Nelson, R. R., Todd, P. A., & Wixom, B. H. (2005). Antecedents of information and system quality: an empirical examination within the context of data warehousing. *Journal of management information systems*, 21(4), 199-235.
- Nicolaou, A. I. (2000). A contingency model of perceived effectiveness in accounting information systems: Organizational coordination and control effects. *International Journal of Accounting Information Systems*, 1(2), 91-105.
- Ogunsiji, A. S., & Ladanu, W. K. (2017). A Theoretical Study of Performance Measures in the Strategic and Corporate Entrepreneurships of Firms. *International Journal of Physical Sciences and Engineering (IJPSE)*, 1(1), 72-80.
- Rahardjo, M. (2010). *Analisis Data Penelitian Kualitatif (Sebuah Pengalaman Empirik)*.
- SETYOWATI, E., & Ciptono, W. S. (2009). *Gambaran implementasi business process reengineering dan evaluasi implementasi continuous process improvement di unit rawat jalan instalasi farmasi Rumah Sakit PKU Muhammadiyah Yogyakarta* (Doctoral dissertation, Universitas Gadjah Mada).
- Suardana, I. B. R., Astawa, I. N. D., & Martini, L. K. B. (2018). Influential Factors towards Return On Assets and Profit Change. *International Journal of Social Sciences and Humanities (IJSSH)*, 2(1), 105-116.
- Supranto, J. (2001). *Pengukuran tingkat kepuasan pelanggan untuk menaikkan pangsa pasar*. Jakarta: Rineka Cipta.
- Whelan, C and McNamara R. (2014). *Design and Implementation of Business Process Reengineering*. *Accounting Journal*. New York: Happer Collins.

Biography of Authors

	<p>Muchson is Lecturer of the Faculty of Economic and Business at the University of Merdeka Malang. Education Background: Degree in Economic University of Merdeka Malang, Indonesia. Magister in Economic Arilangga University, Indonesia. Publications : Pengaruh Faktor Internal, Lingkungan Eksternal Terhadap <i>Marketing Mix</i> dan Kinerja Perusahaan Mebel Di Kota Malang.</p>
	<p>Sihwahjoeni is Lecturer of the Faculty of Economic and Business at the University of Merdeka Malang. Education Background: Degree in Economic University of Merdeka Malang, Indonesia. Magister Science in Gadjah Mada University, Indonesia. Doctor in Economic Science, University of Merdeka Malang, Indonesia. Publications: Effect of Satisfaction User System ERP (Enterprise Resource Planning) to Quality Accounting Information and Managerial Performance in PT. Bank Mandiri (Persero) Malang Branch.</p>