

PREFACE

Thanks to The Almighty God for His mercy and bless, Alhamdulillah hirobbilalamin, I could finish my final project as proposed a requirement of bachelor degree major of International Business Management Telecommunication and informatics. The process of completing this research has already involved both directly and indirectly, i would like to give my appreciation to:

- My parents, Abdul Malik and Iin Rosmayanti, who always supported me and pray to God to suit me in finishing the final project, and also my sister, Dinar Fardanti who always support me to be a successful woman in the future.
- Mr.Dr. Yudi Pramudiana as my advisor who always provide the assistance, guidance and direction in the process of conduction this final project.
- Mrs. Dr. Maya Ariyanti and Mr. Tjahjono Djatmiko, Ir. MBA as my reviewer who has provide me information, guidance, and a better view for this final project.
- All lectures in Business Management International Class of Telkom University and its entire staff, thank you for the service and the everlasting knowledge.
- My best friends in International Class, Asri Aininditya, Dian Pravita Hapsari, Tiara Yunita Nuramalina, Alima Sofia, Eko Yudi Mulyono, Aria Suradireja, Zsabella, Tria Ridiantry and to all my friends in International Class, thanks for these 3 years of friendship and togetherness. And special thanks to Alima Sofia, Asri Aininditya and Tiara Yunita that always help me when I have questions regarding my thesis so that I can finish this thesis.
- My friends outside International class; Nadia Ulfah, Dien Zakiah Rafi, Falah Maulida, Annisa Tri Utammy, Raisa Sani, Prita Lasaliesanti, Ragil Sagita, Muhammad Yusuf, Lucky Satyanegara, Fahmi Mumin, Hardian Ruben, Ryan Fajar Febrianto and others that cannot be mentioned for all the time we have spent together, cheers, memories we have made, and stories we shared.
- All my friends in MBTI International class Batch 1, 2, and 3 in IM Telkom.
- And all the people who cannot mention one by one thank you.

Bandung, April 2014

Nurul Azni Febianti

TABLE OF CONTENTS

APPROVAL SHEET	i
STATEMENT SHEET	ii
PREFACE	iii
ABSTRACT	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	viii
LIST OF TABLES	x
CHAPTER I : INTRODUCTION	
1.1 Research Object overview	1
1.1.1 Company History	1
1.1.2 Vision & Mission	1
1.1.3 Organization Structure	2
1.1.4 Product and service	2
1.1.5 Shareholder and Business Scale.....	3
1.1.6 BNI Subsidiaries.....	4
1.1.7 BNI Business Strategy	5
1.1.8 BNI Milestone.....	6
1.2 Research Background.....	8
1.3 Problem Formulation	16
1.4 Research Purpose	16
1.5 Usability of Research	16
1.6 Report Systematic	17
CHAPTER II : LITERATURE REVIEW AND SCOPE OF RESEARCH	
2.1 Literature Review	18
2.1.1 Marketing.....	18
2.1.2.Customer Value	18
2.1.3 Customer Cost.....	20
2.1.4 Service Quality	22
2.1.5 E-Service Quality	23
2.1.6 Post-purchase	24
2.1.7 Product Usage	24
2.1.8 Customer Satisfaction.....	26
2.1.9 Electronic Commerce	27
2.1.10 Mobile Commerce.....	27
2.1.11 SMS Banking	28

2.2 Recent Research	29
2.3 Research Framework	36
2.4 Research Hypothesis	38
2.5 Scope of Research	38

CHAPTER III : RESEARCH METHODOLOGY

3.1 Research Type.....	39
3.2 Operational Variable	39
3.3 Data Measurement Scale	42
3.4 Research Stage.....	42
3.5 Population and Sampling	43
3.6 Data Collection Techniques	45
3.6.1 Primary Data.....	45
3.6.2 Secondary Data	45
3.7 Validity and Reliability	45
3.7.1 Validity	45
3.7.2 Reliability	45
3.8 Data Analysis Technique.....	49
3.8.1 Descriptive Analysis.....	49
3.8.2 Partial Least Square.....	51

CHAPTER IV: RESULT AND ANALYSIS

4.1 Respondent Characteristic	53
4.2 Customer Response Towards BNI SMS Banking.....	58
4.2.1 Respondent Response of BNI SMS Banking E-Service Quality (X1)	59
4.2.2 Respondent Response of BNI SMS Banking Customer Cost (X2)	62
4.2.3 Respondent Response about BNI SMS Banking Customer Value (Y)	64
4.2.4 Respondent Response about BNI SMS Banking Product Usage (Z)	65
4.3 The Correlation between EService Quality, Customer Cost, Customer Value and Product Usage	68
4.3.1 Outer/Masurement Evaluation	69
4.3.2 Inner/Structural Evaluation	73
4.4 Outcome of Hypotheses Testing	74
4.4.1 The Correlation between e-service quality and customer value	74
4.4.2 The Correlation between customer cost and customer value.....	74
4.4.3 The Correlation between e-service quality and product usage	74
4.4.4 The Correlation between customer cost and product usage	75
4.4.5 The Correlation between customer value and product usage	75
4.5 Result Analysis.....	75

CHAPTER V: CONCLUSION AND SUGGESTION

5.1 Conclusion.....78

5.2 Suggestion78

5.2.1 For the Company79

5.2.2 For Academic79

REFERENCES

APPENDICES

LIST OF FIGURES

Figure 1.1	: PT. Bank Negara Indonesia logo	1
Figure 1.2	: Government and Public Ownership	3
Figure 1.3	: Internet Penetration in Indonesia	8
Figure 1.4	: Smartphone users in Indonesia 2012-2013	9
Figure 1.5	: The Percentage of Customer Preference of Electronic Banking Channels	10
Figure 1.6	: E-Banking Transaction BNI 2012	11
Figure 1.7	: BNI SMS Banking application Framework	12
Figure 2.1	: Determinants of Customer-Perceived Value	19
Figure 2.2	: Four Customer Definitions of Value	20
Figure 2.3	: Research Framework	37
Figure 3.1	: Research Stage	43
Figure 3.5	: Research Framework	32
Figure 3.1	: Research Design	40
Figure 3.2	: Continuum Line Interpretation Score	51
Figure 4.1.1	: Characteristic of Respondents Gender	53
Figure 4.1.2	: Characteristic of Respondents by Age	54
Figure 4.1.3	: Characteristic of Respondents by highest education level	54
Figure 4.1.4	: Characteristic of Respondents by Occupation	55
Figure 4.1.5	: Characteristic of Respondents by Monthly Income.....	55
Figure 4.1.6	: Characteristic of Respondents by length of time using BNI SMS banking Monthly	56
Figure 4.1.7	: Characteristic of Respondents by Frequency of Using SMS Banking per-month Monthly	57
Figure 4.2.1	: Continuum Line for E-Service Quality Variable	61
Figure 4.2.2	: Continuum Line for Customer Cost Variable.....	63
Figure 4.2.3	: Continuum Line for Customer Value Variable.....	65
Figure 4.2.4	: Continuum Line for Product Usage Variable	66
Figure 4.3	: Correlation between EService Quality, Customer Cost, Customer Value and Product Usage	68

LIST OF TABLES

Table 1.1	: BNI Products and Services.....	2
Table 1.2	: Milestone Bank Negara Indonesia	5
Table 1.3	: Customer Disappointment of BNI SMS Banking.....	14
Table 2.1	: State of The Art (SOTA) Recent Research	30
Table 2.2	: State of The Art (SOTA) International Journals	31
Table 2.3	: State of The Art (SOTA) National Journals	34
Table 3.1	: Operational Variable.....	40
Table 3.2	: Questionnaire Design.....	42
Table 3.3	: Validity Test Result	46
Table 3.4	: The Reliability of X Variable Test Result.....	48
Table 3.5	: The Reliability of Y Variable Test Result.....	49
Table 3.5	: The Reliability of Z Variable Test Result	49
Table 3.7	: Classification Criteria for Rating Percentage	50
Table 4.2.1	: Classification Respondent's assessment	58
Table 4.2.2	: Respondent's Response about BNI SMS Banking E-Service Quality.....	59
Table 4.2.3	: Respondent's Response about BNI SMS Banking Customer Cost	62
Table 4.2.4	: Respondent's Response about BNI SMS Banking Customer Value	64
Table 4.2.5	: Respondent's Response about BNI SMS Banking Product Usage	65
Table 4.3.1	: Outer Loadings (Mean, STDEV, T-Values)	69
Table 4.3.2	: CR, and Cronbanch's Alpha.....	70
Table 4.3.3	: Output AVE.....	71
Table 4.3.4	: Cross Loadings.....	71
Table 4.3.5	: Latent Variable Correlations	72
Table 4.3.6	: AVE Square Root	72
Table 4.3.7	: Path Coefficient, T-values from PLS boot strapping procedure	73
Table 4.3.8	: R Square Result.....	73