

CHAPTER V

CONCLUSION & IMPLICATION

A. Conclusion

The conclusion of this research are:

1. Customer experience has no effect on customer loyalty
2. Customer experience affects customer commitment
3. Customer experience affects customer engagement
4. There is a correlation between customer commitment and customer engagement
5. Customer commitment has no effect on customer loyalty
6. Customer engagement affects customer loyalty
7. Customer commitment does not mediate the relationship between customer experience and customer loyalty
8. Customer engagement mediates the relationship between customer experience and customer loyalty

B. Implication

This study provides significant contributions to the development of the Social Exchange Theory (SET) in the context of the relationship between Customer Experience (CX), Customer Commitment (CC), Customer Engagement (CE), and Customer Loyalty (CL). The findings indicate that Customer Engagement (CE) plays a more significant role than Customer Commitment (CC) in mediating the relationship between Customer Experience (CX) and Customer Loyalty (CL). This emphasizes that, in the dynamics of social exchange, Customer Engagement serves

as a more effective mechanism for connecting the benefits customers gain from positive experiences with sustainable loyalty behaviors. Furthermore, the study reveals that the relationship between Customer Experience (CX) and Customer Loyalty (CL) is neither direct nor linear but requires a more complex mediation mechanism to translate the benefits perceived by customers into stable loyalty. Based on the research results, the theoretical and practical implications can be stated as follows:

1. Theoretical Implication

This research is grounded in the Social Exchange Theory (SET) proposed by Blau (1964), which posits that relationships between individuals or organizations are based on reciprocal principles. In this context, customers and companies engage in relationships where customers provide support (*loyalty, recommendations, and active engagement*) in response to the benefits they receive from interactions and experiences facilitated by the company. There are several theoretical implications that should be carried out by future researchers, among others:

- a) Exchange Concept in CX and CL: The study found that Customer Experience (CX) does not have a significant direct effect on Customer Loyalty (CL) (H1 rejected). This finding contrasts with several previous studies emphasizing that positive experiences directly foster customer loyalty. From the perspective of SET, this result suggests that while customers derive benefits from positive experiences, those benefits alone are insufficient to drive customers to exhibit

loyal behaviors without additional elements such as active Customer Engagement (CE).

- b) CE and CC as Mediators: The findings demonstrate that Customer Engagement (CE) plays a more significant role compared to Customer Commitment (CC) in mediating the relationship between Customer Experience (CX) and Customer Loyalty (CL). This suggests that, in social exchange processes as outlined by SET, Customer Engagement acts as a bridge that strengthens both emotional and rational connections between Customer Experience and Customer Loyalty. Conversely, Customer Commitment was not strong enough to mediate this relationship (H7 rejected).

2. Practical Implication

The findings of this study give practical implications for the management of Bank BRI in improving customer loyalty through better management of Customer Experience, Customer Commitment, and Customer Engagement. This can be realized by understanding that male customers are dominating the respondents, so that the bank may implement more specific marketing strategies for this segment, such as offering financial products aimed at business ventures or banking services that can help them improve their financial condition. A large proportion within the age group of 26–35 years allows Bank BRI to create related products and services, keeping in mind the productive age segment, such as savings accounts for investment purposes, loans for business ventures, and digital banking facilities that are easily accessible. General improvement in

service will strengthen the bank's customer engagement and commitment, contributing to loyalty in a sustainable manner.

For customer experience, improvement in those aspects related to the customer's act of choosing the company and the informativeness of the company will help to raise the overall experience, as these indicators are deemed to have the highest impact on customer loyalty. Simultaneously, it would be a good strategy to consider all dimensions of customer experience, enabling it to take an approach that could provide far more completeness in attempting to meet customers' needs and increase the overall perception of Bank BRI services.

As for customer commitment, developing the emotional connection with the company and solving the difficulty of its customers when it comes to switching to another company are necessary and could help raise loyalty directly. However, strengthening the whole commitment structure from emotional aspects up to the fear of losing an offer will make the relationship more sound and durable with the customers and place Bank BRI at the top of their choices.

For customer engagement, it is worth noting that deep involvement and enthusiasm during consumption of the company's products or services should be highly considered since they will help in building a strong relationship between the customers and Bank BRI. This relation will be developed further by increasing engagement through frequent interaction and updates on new services for the sake of long-term loyalty.

Lastly, for customer loyalty, a high degree of recommendation to others and purchasing more products from the company should be emphasized, since both are strong predictors of customer loyalty. Emphasizing the loyalty-building process by making sure that the customer remains immune to the products of competitors and resists negative influences will provide a more robust loyalty framework for Bank BRI.

C. Limitation

This study has several limitations that should be noted. The data was collected using an online questionnaire via digital platforms, which may limit participation from respondents who are less familiar with technology or lack adequate internet access. The study only involved Bank BRI customers who have been clients for over a year, making the findings non-generalizable to new customers or customers of other banks. The respondent pool was dominated by the age group of 26–35 years and male participants, potentially reducing the representation of other age groups and genders. Additionally, the study did not account for the geographic variation of Bank BRI customers across different regions in Indonesia, which may result in findings that do not fully reflect customer behaviour nationwide. The use of a quantitative approach with statistical analysis limits the inclusion of qualitative insights that could provide a deeper understanding of customer experiences and factors influencing customer loyalty. The study also focused solely on the variables of Customer Experience, Customer Commitment, Customer Engagement, and Customer Loyalty, leaving out other external factors that may affect customer loyalty.

Furthermore, the study was conducted within a specific timeframe, which may not be sufficient to capture long-term trends or changes in customer behaviour.

