



Impact of BRImo Digital Banking Service Digitalization on Financial Performance of BRI Branch Offices

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ABSTRACT

The development of digital technology has brought about significant changes in the banking industry, including the way banks interact with their customers. Bank Rakyat Indonesia (BRI) is one of the banks actively innovating through its digital banking services, one of which is BRImo mobile banking, which is expected to simplify transactions and improve the company's financial performance. This study aims to examine the extent to which BRImo usage impacts increased profits and fee-based income at one BRI branch. This study uses quantitative methods as the primary approach, using financial report data and BRImo usage data over a specific period. This data is analyzed to identify the relationship between application usage levels and branch financial results and to link it with previous studies to determine how BRImo can add value to the bank. The results are expected to illustrate that digital innovations such as BRImo not only enhance customer convenience but also serve as an effective business strategy in facing competition in the digital economy era.

Keywords: *Banking Digitalization, Bank Financial Performance, Banking Innovation, Fee-Based Income*

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1. | INTRODUCTION

Banks are currently adopting technology to improve operational efficiency and expand their service reach amidst the digital transformation of the global financial industry. A shift in profitability strategies has occurred, focusing on fee-based income (non-interest income such as administration fees, transfers, top-ups, payments, and so on), which is considered more stable and less affected by interest rate fluctuations (Abu Khalaf et al., 2024). Bank Rakyat Indonesia (BRI) has invested significantly in the development of the BRImo digital platform, a cashless transaction service expected to accelerate the acquisition of fee-based income. This research is important because it presents empirical data on the real impact of digital platforms on financial performance at BRI branch offices. This can serve as a reference for bank management in evaluating the effectiveness of digitalization programs and determining optimal strategies for increasing BRImo usage in the future.

Previous studies have examined the correlation between technology adoption and banking financial performance, albeit with varying focuses and scopes. Ferli et al. (2022) confirmed that the implementation of e-channels (ATM, CRM, CDM) and e-banking (SMS banking, mobile banking, internet banking) significantly increased fee-based income. An interesting finding from this study was that the number of branches—which should expand reach to attract new customers—did not significantly impact non-interest income, indicating that physical expansion does not automatically increase bank profitability, including ROA, ROI, or fee-based income. Meanwhile, Nguyen et al. (2023) showed that digitalization in the Vietnamese banking context contributed to a 0.2–0.6% increase in profitability (ROA and NIM), driven by increased customer convenience, operational efficiency, and expanded revenue streams through cross-selling digital products such as payment point online banking (PPOB).

This study aims to fill this research gap by analyzing the specific impact of BRImo usage on fee-based income at a BRI branch office. Unlike Ferli et al. (2022), who analyzed five commercial banks in aggregate, and Nguyen et al. (2023), who focused on the general profitability of Vietnamese banks, this study's primary contribution lies in providing empirical branch-level data as a basis for management evaluation in assessing the return on investment of the BRImo program. Therefore, this research is needed to more clearly understand how BRImo usage contributes to increased fee-based income at the branch level.

2. | LITERATURE REVIEW

BRImo Services

BRImo is a mobile banking service launched by PT. Bank Rakyat Indonesia (BRI) in 2016. It has become a solution for customers to conduct various banking transactions via mobile phones without having to visit a physical branch office or ATM (Haeruli et al., 2025). BRImo was created to provide ease and convenience for BRI customers and non-customers in conducting financial transactions using checking and savings accounts (Wijatmoko et al., 2025).

ROA Profitability in Banking

Return on Assets (ROA) measures a company's ability to generate profit using its total assets and serves as an indicator of the effectiveness of its economic resource utilization to generate profit. ROA is calculated by comparing pre-tax profit to total assets for a given period

(Sasongko & Rachma, 2021). ROA measures a company's effectiveness in using its assets to generate profit, obtained by comparing net profit to total assets (Aydoğmuş et al., 2022).

In the context of banking research, ROA is the dominant measure of profitability used because a higher ROA indicates a higher level of bank profitability (Nguyen et al., 2023). Research by Citterio et al. (2024) revealed that investments in information technology and network efficiency increase bank profitability, as measured by ROA. Although initially increasing costs, digital investments ultimately increase efficiency and profits.

Fee-based Income as Bank Income

Fee-based income focuses on generating additional profits beyond interest on loans or securities, including income from fees, commissions, foreign exchange transactions, and other operating income (Ferli et al., 2022). Fee-based income represents bank revenue from non-interest services such as transaction fees and other customer services. Research by Syahrani & Fasa (2024) shows that increased digital banking usage has a significant positive impact on fee-based income, with an average increase of 15% within one year of implementation. Services such as bill payments and interbank transfers are the main contributors. This finding underscores the importance of innovation and development of digital services to increase customer satisfaction and loyalty, ensuring banks remain competitive in the digital era.

3. | RESEARCH METHOD

This research uses quantitative research methods. Quantitative research is a systematic approach involving the measurement and quantification of data. According to Ghanad (2023), quantitative research aims to measure data and generalize findings from research samples by relying on data collection and analysis based on logical methods influenced by empirical and positivist ideologies. Key characteristics of quantitative research include the use of standardized research instruments, findings based on large samples, high reliability, and an emphasis on numerical and statistical data presented in non-textual forms such as tables, graphs, or diagrams.

The data used consists of primary and secondary data. Primary data is data collected for the first time by the researcher, is factual and original, while secondary data is pre-existing data collected by other parties for different purposes (Ajayi, 2025). In this study, primary data sources include data on the number of BRImo transactions, Return on Assets (ROA), and fee-based income obtained from the company. Meanwhile, secondary data sources were obtained through literature studies from books, scientific journals, and related publications. The data analysis technique in this study used multiple regression tests, including analysis of the coefficient of determination (R^2) to measure the contribution of independent variables to the dependent variable, the F test for simultaneous testing, and the t test for partial testing (Alam Sur et al., 2023).

4. | RESULTS

The data analysis technique in this study used multiple regression tests that included several testing stages. The coefficient of determination (R^2) analysis aims to measure the contribution of independent variables to the dependent variable (Alam Sur et al., 2023; Chicco et al., 2021). The F test is used to conduct simultaneous testing between all independent variables on the dependent variable by comparing the calculated F value with the F table value (Alam Sur et al., 2023). Meanwhile, the partial t test is used to determine the effect of

independent variables on the dependent variable individually by comparing the calculated t value with the t table value in the distribution table (Alam Sur et al., 2023).

Results of Multiple Linear Regression Analysis

In this study, multiple linear regression analysis was conducted to determine the simultaneous and partial influence between Volume of BRImo Usage on the Return on Assets (ROA) and Fee Based Income (FBI) at one of the National Bank branch offices during the period 2015–2024.

Table 1. Multiple Linear Regression Results

Statistics	Mark
R	0.998
R Square	0.996
Adjusted R Square	0.995
Standard Error of the Estimate	11,032

In Table 1, the R value of 0.998 indicates a very strong and positive relationship between BRImo usage volume and ROA and FBI. Furthermore, the R^2 value of 0.996 indicates that 99.6% of the variation in ROA and FBI is explained by BRImo usage volume, while the remaining 0.4% is explained by other variables outside this research model. This means that this statistical model can be said to be very robust; ROA and FBI are almost entirely able to explain changes in BRImo volume during 2015–2024. This relationship may indicate that BRImo volume is highly correlated with branch financial performance (ROA, FBI) over the long term.

Table 2. F Test Results (Simultaneous)

F count	Sig.
876,113	0.000

Table 2, which shows the results of the F-test, obtained an F-value of 876.113 with a significance value of $0.000 < 0.05$. This can be interpreted as indicating that the regression model used is statistically feasible and simultaneously significant, which means that the BRImo Volume variable simultaneously has a significant effect on ROA and FBI. Low significance indicates that the relationship found is not coincidental. The regression model used is valid and appropriate for explaining how ROA and FBI affect BRImo volume.

Overall Interpretation of the Model

BRImo usage volume was shown to have a significant impact on fee-based income, but not on ROA. These results suggest that increased BRImo usage has a greater impact on non-interest income than on overall profitability. In other words, digital transaction activity through BRImo can increase bank commission income but has not directly affected the return on assets (ROA).

5. | DISCUSSION

The research results show that BRImo usage volume significantly impacts fee-based income, but not ROA. This indicates that BRImo's use for digital activities can be considered more effective in increasing banks' non-interest income than overall profitability, as reflected in ROA. BRImo's digital services can expand revenue sources, although this is not yet fully reflected in the bank's profit from total assets.

The results of this study align with research conducted by Syahrani & Fasa (2024), which found that digital banking transactions significantly contribute to increased fee-based income, with supporting factors such as transaction volume and customer satisfaction being key. This finding reinforces the argument that utilizing services like BRImo can provide added value through fee-based income. However, when compared to the research by Simamora & Waspada (2023), the results of this study show a different pattern. The results indicate that e-wallets influence fee-based income and ROA, while mobile banking and internet banking have no impact. The difference lies in BRImo's mobile banking approach, focusing on basic banking services, unlike e-wallets, which offer a wider range of transactions.

Based on the results of this study, digital transformation through BRImo has been moving in the right direction in increasing non-interest income. However, further strategies are needed to optimize BRImo's contribution to bank profitability. These findings indicate that mobile banking services like BRImo are effective in driving increased fee-based income during the study period.

6. | CONCLUSION

This study concludes that the increase in BRImo service usage volume has significantly contributed to fee-based income, although it has not directly impacted ROA. While this study provides insight into BRImo's impact on bank revenue, it does have limitations.

This study did not consider other variables such as digital operational costs, customer satisfaction, or the effectiveness of BRImo's marketing strategy, which could potentially influence BRImo usage and bank profitability. Therefore, further research is needed by adding additional variables, as mentioned previously, or other mediating variables that might influence the relationship between BRImo and bank profitability. Understanding the effectiveness of digital services like BRImo can be expanded to provide strategic contributions to banks in optimizing financial performance in the digital era through future research development.

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Conflict of Interest Statement

The authors declare that there is no conflict of interest.

Ethical Approval and Originality Statement

Ethical approval was obtained for this study. The manuscript represents original work and has not been previously published, nor is it under consideration by another journal.

Data Disclosure Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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