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Decision-Making Analysis on The Credit Card Partnership Program Using Kepner-Tregoe and Smart Technique Approaches

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ABSTRACT

This study analyzes the root causes of underperformance in PT Bank XYZ's credit card partnership program with F&B merchants. Using the Kepner-Tregoe (KT) Problem Solving Framework and the SMART (Simple Multi-Attribute Rating Technique), the research adopts an exploratory-descriptive qualitative approach involving Forum Group Discussions (FGDs) with internal stakeholders. The analysis identified two main problems: weak internal coordination between the EDC and Marketing teams, and low merchant and cashier engagement in executing promotional programs. Three alternative solutions were evaluated: (1) Integrated Merchant Engagement Program, (2) Internal KPI Synchronization Framework, and (3) Real-Time Performance Dashboard. The SMART evaluation determined the first alternative as the most effective, with the highest score (4.3), based on impact, feasibility, and ROI. The solution includes digital training, promotional kits, and incentive systems to enhance cashier performance. Supporting frameworks and monitoring systems were also proposed to ensure sustainable impact. The findings emphasize the importance of data-driven decision making, internal alignment, and proactive merchant involvement to enhance the success of banking partnership programs. This study contributes to strategic decision-making literature in the financial services sector by demonstrating the effective integration of KT and SMART to resolve operational inefficiencies.

Keywords: *Kepner-Tregoe, SMART Technique, Credit Card Partnership, Decision Analysis, Banking Strategy*

Introduction

Over the past five years, Indonesia's economy has faced significant shifts due to the COVID-19 pandemic and global market volatility. The pandemic deepened global inequality and disrupted key sectors such as manufacturing and tourism. [1]. In response, Indonesia adopted prudent fiscal policies and contractionary monetary measures, including interest rate hikes and reserve requirement increases. [2]. Following a -2.1% contraction in 2020, the economy rebounded with 3.69% growth in 2021, stabilizing near 5% through 2023, and projected to reach 4.95% in Q3 2024. Growth was mainly driven by household consumption (53.08% of GDP), infrastructure investments, and strong sectoral performance, especially in transportation and F&B.

Inflation remains controlled at 1.71% (Oct 2024), but global risks persist. Despite these headwinds, the banking sector continues to expand, recording 10.92% credit growth, 4.76% MSME lending growth, and improving asset quality with NPLs at 2.20%. Islamic banking also shows strong momentum, with asset and financing growth driven by UUS spin-offs under RP3SI 2023–2027. Digital transformation, accelerated by the BSPI 2025, is boosting transaction efficiency, while AI assists Bank Indonesia in forecasting economic trends [3]. However, structural issues, low tax revenues, productivity gaps in agriculture and manufacturing, and a recent dip in private investment, remain critical. [4].

Inclusive fiscal policies, digital infrastructure upgrades, and tax reforms are essential to ensure sustainable growth. Nearly 50 million merchants have adopted QRIS, and cross-border payment initiatives are advancing. [3]. The World Bank (2024) warns of risks from private debt and policy uncertainty. In the banking sector, digitalization reshapes operations through improved IT infrastructure, cybersecurity, and fintech integration.[5]Enhancing efficiency and process automation [6]. Regulations have tightened, especially in credit card policies—standardizing interest rates and payment terms, and prohibiting surcharges above 0.5–0.7%. Risk-based supervision helps detect manipulation, while strategic use of government credit cards (KKP) promotes accountability (Treasury Letter S-27/PB/2025).

Despite advancements, PT Bank XYZ struggles with its credit card promotions—30 of 49 partnered merchants report no sales growth. Lacking data-driven insights, the bank cannot diagnose why incentives fail. Transaction data analysis, as supported by Baker [7]Could uncover consumer preferences and behaviors. Digital payment trends, especially QRIS in F&B, echo shifts seen in Italy [8], [9]. However, PT Bank XYZ has not leveraged advanced analytics or machine learning to monitor campaigns or customer sentiment. [10], [11]. The bank urgently needs systematic research to identify root causes and realign its credit card strategies using tailored, data-informed solutions.

Research Methods

Research Design

This study applies an exploratory-descriptive qualitative approach using the Kepner-Tregoe (KT) problem-solving method to identify inefficiencies in PT Bank XYZ's credit card partnership with F&B merchants. The KT framework—comprising situation appraisal, problem analysis, decision analysis, and potential problem analysis—offers a structured process for diagnosing issues and evaluating solutions. A key advantage of the KT method lies in its systematic and logical approach to problem-solving, ensuring that root causes are accurately identified before considering potential solutions. Compared to other decision-making tools, such as the SWOT analysis or Fishbone Diagram, which offer more general insights or focus primarily on problem identification, KT's decision analysis phase provides a more detailed and objective assessment of alternatives using clearly defined criteria and risk assessments.

At the decision stage, the SMART Technique (Simple Multi-Attribute Rating Technique), part of Multi-Criteria Decision Making (MCDM), objectively compares alternatives through weighted attributes. This technique offers more transparency than conventional SMART goal analysis. [12], [13]. This method stands out by assigning numerical weights to different criteria, allowing for a clear ranking of options based on their alignment with the organization's goals and financial objectives.

Data collection and analysis were conducted iteratively to adapt to real-time findings. [14], with Forum Group Discussions (FGDs) involving purposively selected internal stakeholders such as the VP Credit Card Head and marketing staff [15]. A competitor analysis of similar programs from BCA, Mandiri, and BRI enriched the context by comparing strategies and performance. Lincoln and Guba's (1985) criteria were applied to ensure trustworthiness, supported by triangulation from FGDs, internal data, and literature. This integrated design provides actionable, data-driven insights to strengthen PT Bank XYZ's partnership strategy, mitigate risks, and enhance financial outcomes. [12].

Data Collection Method

This study uses a qualitative approach to examine inefficiencies in PT Bank XYZ's credit card partnership with F&B merchants through forum group discussions (FGDs) and secondary data analysis. FGDs were selected for their ability to capture in-depth insights from key stakeholders, guided by the Kepner-Tregoe (KT) Problem-Solving Framework to address root causes and evaluate strategic options using the SMART technique. [16], [17], [18]. Discussions were recorded, transcribed, and validated through member checking, following Lincoln and Guba's (1985) credibility standards. Secondary data, including internal reports, transaction performance reviews, and industry analyses, complement the FGDs by validating and contextualizing findings. Academic literature on digital payments and banking partnerships further supports the analysis, enabling a triangulated and rigorous application of KT within an exploratory-descriptive framework.

Data Analysis Method(s)

This study uses a qualitative approach to examine inefficiencies in PT Bank XYZ's credit card partnership with F&B merchants through forum group discussions (FGDs) and secondary data analysis. FGDs were selected for their ability to capture in-depth insights from key stakeholders, guided by the Kepner-Tregoe (KT) Problem-Solving Framework to address root causes and evaluate strategic options using the SMART technique. [16], [17], [18], [19], [20]. Discussions were recorded, transcribed, and validated through member checking. Secondary data—including internal reports, transaction performance reviews, and industry analyses, complements the FGDs by validating and contextualizing findings. Academic literature on digital payments and banking partnerships further supports the analysis, enabling a triangulated and rigorous application of KT within an exploratory-descriptive framework.

Decision Analysis

This study applies the Kepner-Tregoe (KT) Problem-Solving Framework—comprising Problem Analysis and Decision Analysis phases—to systematically identify and resolve inefficiencies in PT Bank XYZ's credit card partnership program with F&B merchants. Problem Analysis serves as the core tool for tracing performance issues to their root causes through a logic-based and focused investigation, supported selectively by relevant tools for validation. [16], [20]. Decision Analysis then evaluates potential corrective actions using predefined objectives, criteria ("Musts" and "Wants"), and risk assessments, involving key decision-makers to ensure strategic, operational, and financial alignment. This study enhances decision-making by integrating the SMART Technique (Simple Multi-Attribute Rating Technique), a reliable Multi-Criteria Decision Making (MCDM) tool, to objectively score and prioritize solutions using weighted attributes such as consumer impact and cost efficiency. The SMART method improves objectivity, transparency, and stakeholder consensus, with proven effectiveness in sectors like banking and public projects. By integrating thematic analysis, root cause analysis, and structured decision-making tools, this study provides evidence-based, risk-sensitive recommendations to optimize PT Bank XYZ's partnership performance and strategic direction in the F&B sector.

Results and Discussion

Kepner-Tregoe Problem Analysis

Study This use Kepner-Tregoe Problem Analysis method for identify root problem in card partnership program performance PT Bank XYZ credit, especially in the sector F&B In research Here, Kepner-Tregoe analysis is used in a way direct based on issues that have been identified at the stage Situation Appraisal and supported with Results of the Forum Group Discussion (FGD). The main problem analyzed is the low effectiveness and efficiency of the partnership credit card with F&B merchants. Details sheet Work Kepner-Tregoe analysis can be seen in the table below:

Table 1. Kepner-Tregoe Problem Analysis

Specification	Is	Is Not	Distinction	Changes / Causes
WHAT	Low credit card activation and usage at F&B merchants participating in the program	Non-F&B merchants or merchants not joining the program have tended to use Better.	The performance of merchants participating in the program is lower than expected.	F&B merchants do not educate consumers The cashier doesn't understand the promo Promotions do not match segments
	Transactions do not increase even though merchants participate in the program.	Non-program merchants experience an increase in sales	Merchants who participate in the program have improved sales lower	The promo format is too generic Merchants do not find the program useful
WHERE	It happens to F&B merchants who work with PT Bank XYZ in the city.	Does not occur in e-commerce merchants or non-F&B	Especially occurs in high-traffic F&B outlets such as malls and shopping centers. culinary	Absence training cashier No real-time monitoring dashboard
WHEN	From the 3rd quarter of 2024 to early 2025	Before the 2nd quarter of 2024, no significant	Problems have been seen when a program scales large without design adjustments.	Adding merchants without an engagement strategy Change the EDC internal KPI
EXTENT	Only 19 out of 49 merchants	Competitor merchants	Bank XYZ's performance is, on	Lack of digital media support

Specification	Is	Is Not	Distinction	Changes / Causes
	experienced growth in sales; the rest stagnated or decreased.	(BRI/BCA) experienced growth in the same segment	average, below that of competitor banks in the F&B program	Lack of internal marketing collaboration

From the results of the FGD and analysis of the table, it was found that the root of the problem lies in the ineffectiveness of promotion execution at F&B merchants, especially in customer education and cashier involvement. One quote from the FGD states:

"Our cashiers don't know the details of the promo, so they just say 'there's a credit card promo' without being able to explain the benefits." (FGD – Assistant Marketing Officer, April 2025)

This statement underlines the weakness of last-mile implementation, where program execution at the point of transaction (checkout) is not running optimally. This is in line with the Accenture study (2022), which states that the success of credit card promotions is greatly influenced by direct communication between cashiers and consumers, especially in the retail and F&B sectors.

In terms of location, it was found that the most serious problems occurred in F&B merchants located in large shopping centers (malls), even though this location is a strategic target for transaction volume. However, because there is no real-time monitoring dashboard, the bank lost the opportunity to make strategic corrections in the middle of the program.

In terms of time, the program's ineffectiveness began to be felt in the third quarter of 2024, when the promotion scheme was expanded to more merchants without adequate differentiation or segmentation. The copy-paste strategy of the same promotion model for all merchants proved unsuitable for the highly varied F&B market structure. In the FGD, the Marketing Officer revealed:

"We used the same promo format as last year. It turned out that not all merchants could match the type of cashback we provided." (FGD – Marketing Officer, April 2025)

This situation indicates a lack of a data-based approach in program adjustment. Literature from [21] Explains that each market segment has different consumer behavior, so the promotional approach must be adjusted to the target market's characteristics.

Table 2. Possible Cause & The Most Likely Cause

No.	Possible Cause	Most Possible Cause
1	F&B Merchants are not active in educating customers about the card promo credit	Yes
2	Asynchrony between the EDC team and the Marketing team	Yes
3	Promotion program: No segmentation, all merchants are given the same type of promo.	Yes
4	Cashiers do not receive adequate training or briefing	No
5	There is no real-time performance dashboard for program evaluation	No
6	Lack of digital campaign support and socialization on social media	No
7	Merchants feel the program does not provide added value to their business	No
8	Competitors (BCA, BRI, Mandiri) have a more flexible and integrated promotional format.	Yes

Table 2 summarizes all potential reasons (Possible Cause) that appear during the analysis and discussion of the FGD. Assessment done based on intensity mention, level urgency in discussion, as well as its relevance with the core problem is low activation and effectiveness of card partnership programs credit in the sector F& B. Marked causes as the Most Possible Cause is the most consistent and powerful factors in a way connection cause and effect to failure of the partnership program, as well as supported by the majority source person during FGD. From all possible causes that have been identified in FGD, four main reasons are set as the most possible causes because they fulfill three Kepner-Tregoe indicators: correlation with the specification problem (What, Where, When), consistency with the process change (Change), and influence on the output.

First, F&B merchants are not actively educating customers about the card promo credit, which has become the dominant reason. From the FGD, the following quote:

"We have sent promotional materials to merchants, but not yet. Of course, until the cashier or frontliner. Many customers said they only found out about the promo after completing the transaction." (FGD – Vice President Credit Card Head, April 2025)

This problem is compounded by merchants' lack of feedback or reporting systems, so banks cannot monitor whether promotional materials are being actively implemented or pasted on the storefront. Last-mile execution makes the greatest contribution to the success of retail marketing campaigns.[22].

Second, the lack of synchronization between the EDC team and the Marketing team resulted in a gap in program execution. The EDC team pursued the target number of merchant onboarding, while the Marketing team focused on transaction volume. As a result, merchants who had joined did not receive assistance in increasing actual transactions.

"We from EDC have reached new merchant targets, but sometimes the marketing team did not follow up on the matter of performance transactions." (FGD – Mandiri 1, EDC Team, April 2025)

This supports the findings of [23] The gaps between internal business units without integrated performance indicators can undermine the success of collaborative marketing strategies.

Third, generic promotion designs – with one promo format for all merchants – ignore the variety of segmentation and unique needs of each merchant. For example, merchants with high ticket sizes are better suited to cashback schemes, while small volume merchants are better suited to bundling or direct discounts.

"The promotions we run are the same for all merchants, even though their needs are different." (FGD – Marketing Officer, April 2025)

This uncustomized promotional strategy has proven less effective, as evidenced by the decline in active merchant participation. A McKinsey (2023) study confirmed that customized promotional models can increase effectiveness by up to 37% compared to generic models.

Fourth, external factors in the form of more aggressive and adaptive competitors such as BCA and BRI also influence. They provide promotional schemes based on merchant flexibility, including co-branding and campaign sharing options, which are more attractive to merchants.

"BCA and Mandiri give merchants the freedom to design promos. We are too rigid with the template format determined by the center." (FGD – Assistant Marketing Officer, April 2025)

To answer the problems in Bank XYZ's credit card promotion program with F&B merchants, a business solution was designed based on the synthesis of the analysis results in the previous sub-chapters (Kepner-Tregoe) and supported by in-depth interviews with three main stakeholder groups: the bank, F&B merchants, and cashiers. After identifying the problem using Kepner-Tregoe Problem Analysis, here are the root causes.

Table 3. Root Cause of the Problem

No	Root Cause of the Problem
1	The low merchant education and engagement (especially the cashier) in the promotional program for credit cards.
2	Lack of coordination and KPI between internal teams (EDC and marketing).

Kepner-Tregoe Decision Analysis

After identifying the problem using Kepner-Tregoe Analysis and SMART Analysis, the next stage is to formulate alternative solutions to overcome the problem of low credit card transactions in the partnership program between PT Bank XYZ and F&B merchants. Alternative solutions are compiled based on the main root problems found, considering effectiveness, efficiency, relevance to business objectives, and feasibility of short- and medium-term implementation. The following table summarizes alternative solutions based on previously identified root causes. The solutions are tailored to the needs and context of each stakeholder, namely the banks, merchants, and cashiers, as the frontline in implementing the program.

Table 4. Alternative Solution to Address Low Transaction Volume in Credit Card Partnership Program

No	Identified Problem	Alternative Solution	Responsible Party	Implementation Cost	Time Frame
1	Lack of cashier education	Develop interactive online training and short videos for cashiers across all shifts	Bank (Credit Card Division)	Low	1 month
2	Lack of incentives	Develop a monthly reward system based on cashier performance	Bank & Merchant HR	Medium	2 months

		(number of credit card transactions)			
3	Lack of visual promotion	Distribution of physical and digital promotional kits (posters, banners, e-flyers) to all outlets	Bank (Marcomm Division)	Medium	1 month
4	No monitoring program	Create a weekly monitoring dashboard with feedback from merchants and cashiers	Bank & IT Team	Medium	2 months
5	Banks are less actively present.	Assign a dedicated merchant relationship officer (MRO) for periodic visits and evaluations	Bank (Partnership Division)	High	3 months

This table presents solutions based on the principles of integration and collaboration. Solutions 1 and 2 are considered quick wins because they can be implemented immediately and significantly impact cashier behavior. Video-based training is perfect for reaching all shifts without burdening operations. Solution number 3 regarding visual promotion kits addresses the need for on-site promotions, which are unavailable. It should be emphasized that the installation location and the attractiveness of the design greatly influence the effectiveness of visual promotions. Therefore, it needs to be validated with the merchant marketing team.

Solutions 4 and 5 are systemic, building a long-term mechanism that encourages sustainability. The weekly monitoring dashboard will make it easier for management to evaluate the effectiveness of promotions and merchant engagement. In contrast, the presence of a merchant relationship officer (MRO) becomes a relational bridge between the bank and the merchant, which has been missing. Although it has a higher cost, this solution offers a deeper strategic impact.

Table 5. Final Alternative Solution

No	Alternative Solutions
1	Integrated Merchant Engagement Program – Regular training, digital education, cashier involvement in credit card promotion activation, and improving coordination between internal teams.
2	Internal KPI Synchronization Framework – Alignment indicator performance between the internal teams to create a unified direction and operational synergy.
3	Real-Time Partnership Performance Dashboard – Digital dashboard system for monitoring merchant performance, responding to cashiers, and tracking transaction trends.

The solutions have three main lines; details are as follows:

a. Alternative 1 – Integrated Merchant Engagement Program

The program will include interactive digital training modules, transaction simulations with promo scenarios, and a cashier performance-based incentive system. According to the FGD results, internal stakeholders assessed that " cashier education is the most critical point because customers interact most often with cashiers when paying " (FGD - Marketing Officer, April 2025). This solution will significantly increase the effectiveness of promotional communications and the potential for card activation.

b. Alternative 2 – Internal KPI Synchronization Framework

This solution addresses coordination issues between internal teams, especially between the EDC team (which focuses on merchant acquisition) and the Marketing team (which focuses on transaction activation). Through this framework, the KPIs of both teams will be integrated into a collaborative outcome-based strategy, such as increasing credit card transactions and merchant engagement. One FGD participant stated: " If the EDC target is only acquisition, there is no incentive to help marketing run promotions. This must be equalized." (FGD – Credit Card Head, April 2025).

c. Alternative 3 – Real-Time Partnership Performance Dashboard

This solution responds to the need for a real-time and transparent program performance monitoring system. The dashboard will integrate merchant transaction data, promotion effectiveness, cashier feedback, and credit card activation rates. The dashboard will be a tool for fast, data-driven decision-making. One FGD participant said: "We only know that the program has failed after the program is finished. We need weekly data, even daily." (FGD – Assistant Marketing Officer, April 2025).

Table 6. Pros-Cons Analysis of Alternative Solutions

No	Alternative Solutions	Pros	Cons
1	Integrated Merchant Engagement Program	Improving cashier understanding Can directly increase credit card activation	Requires initial investment for training and digital modules
2	Internal KPI Synchronization Framework	Improve coordination between teams Improving the efficiency of implementing promotional programs	Structural changes and KPI adaptations are needed, which may take time.
3	Real-Time Partnership Performance Dashboard	Increase visibility of program performance- Enable data-driven decision making.	Depends on the readiness of the digital infrastructure and data integration between work units

The three solutions above have complementary approaches in addressing the two main root problems. The Integrated Merchant Engagement Program focuses on education and front-line aspects. At the same time, the Internal KPI Synchronization Framework improves the internal structure and workflow between divisions, and the Real-Time Partnership Performance Dashboard ensures fast and measurable control and feedback. Based on this initial analysis, the solution chosen must address the root problem and consider the integration and operational readiness of Bank XYZ.

Each alternative solution has implementation risks that need to be carefully considered. Alternative 1 (Merchant Training & Sales Enablement) has a major risk in merchant participation and commitment to training. Without adequate encouragement or incentives, training can be ineffective. Another risk is the lack of internal team capability to design training materials appropriate to the field's background and variety of merchants. Therefore, Alternative 1 is highly dependent on the success of Alternative 2, where incentive schemes can be an attraction to increase training participation.

Alternative 2 (Integrated Incentive Campaigns) also has potential risks in controlling and supervising the implementation of incentives. The transaction and conversion reporting system must be reliable, transparent, and integrated with the monitoring dashboard to prevent data manipulation. In this case, Alternative 2 requires technical support from Alternative 3, especially regarding real-time reporting and system-based automatic evaluation.

Meanwhile, Alternative 3 (Dynamic Program Model & Real-Time Dashboard) is the most technically complex solution and requires investment in IT systems, EDC integration, and readiness from the IT and data analytics teams. The advantage is that this solution provides the foundation for the other two solutions to run optimally and measurably. Thus, these three alternatives have an interdependent relationship, which shows that optimal implementation will be more effective if carried out synergistically or gradually but sustainably.

SMART Technique

Research applies the SMART technique (simple multi-attribution rating technique) to choose the best solution from the third alternatives developed at the previous stage. SMART is a decision-making method based on Multi-Criteria Decision Making (MCDM), which is considered effective in simplifying complex decision-making by considering various relevant attributes or criteria [24]. In the context of this study, SMART is used to evaluate three main solutions in solving the problem of PT Bank XYZ's credit card partnership program in the F&B sector, namely:

a. Integrated Merchant Engagement Program
b. Internal KPI Synchronization Framework
c. Real-Time Partnership Performance Dashboard

Every alternative solution is rated based on relevant and representative attributes, such as the successful implementation of partnership programs, including impact on transactions, level of merchant participation, fees implementation, and convenience integration within existing organizations. Assessment is triangulative through results, FGD, internal observation, and validation by the managerial team. The decision-making team consists of representatives of PT Bank XYZ, including the VP Credit Card Head, Marketing Officer, and Assistant Marketing Officer, who were directly involved in making credit card partnership strategy decisions. Three solutions were assessed:

a. Solution A: Integrated Merchant Engagement Program
b. Solution B: Internal KPI Synchronization Framework
c. Solution C: Real-Time Partnership Performance Dashboard

Attributes used to evaluate the effectiveness of the solution, referring to the results of the FGD, literature management, strategic, and banking studies [25]. The attributes are:

Table 7. SMART Criteria/Attribute Table

No	Attributes	Description	Weight (%)
A1	Transaction Volume Impact	How much does the solution increase credit card transaction volume?	25%
A2	Merchant Participation Rate	How much merchant involvement is required in the program	20%
A3	Operational Feasibility	The level of ease and readiness of the organization in implementing the solution	15%
A4	Customer Experience & Engagement	Impact on end consumer satisfaction and engagement	15%
A5	Implementation Cost	Magnitude of costs required for implementation	10%
A6	Return on Investment (ROI)	How high is the benefit-to-cost ratio?	15%
Total			**100%**

A qualitative evaluation was done based on each solution's FGD results and internal observation. Each solution is rated on a scale of 1 (low) to 5 (very high) for every attribute.

Table 8. Solutions & Attribute Score Table

Solution	A1	A2	A3	A4	A5	A6	Final Score
A (Integrated Merchant Engagement)	5	5	4	4	2	5	4.3
B (Internal KPI Synchronization)	4	3	5	3	4	4	3.85
C (Real-Time Performance Dashboard)	3	3	3	5	3	4	3.55

* Note: For the Implementation Cost attribute (A5), a higher score indicates lower costs (reversed) and the moment the calculation ends.

Weights are determined based on the FGD results and decision-makers' priority ranking. The final value calculation is done by multiplying the score of each attribute by the weight and adding them all up.

A (Integrated Engagement): $(5×0.25) + (5×0.20) + (4×0.15) + (4×0.15) + (2×0.10) + (5×0.15) = 4.30$

B (Internal KPI Sync): $(4×0.25) + (3×0.20) + (5×0.15) + (3×0.15) + (4×0.10) + (4×0.15) = 3.85$

C (Real-Time Dashboard): $(3×0.25) + (3×0.20) + (3×0.15) + (5×0.15) + (3×0.10) + (4×0.15) = 3.55$

Table 9. Final Score

Ranking	Solution	Final Score	Recommendation
1	Integrated Merchant Engagement Program	4.3	The Best Solution
2	Internal KPI Synchronization Framework	3.85	Supporting solutions
3	Real-Time Performance Dashboard	3.55	Complement with effectiveness

The Integrated Merchant Engagement Program solution achieved the highest score (4.30), indicating that the program not only significantly impacted merchant transactions and participation but also showed the potential for a high return on investment (ROI) despite the challenges in terms of implementation costs. This indicates a trade-off between costs and benefits that needs to be carefully considered by management, but the analysis results prove that the benefits are much greater.

The Internal KPI Synchronization Framework solution is in second place (3.85), showing superior internal implementation and organizational stability. This solution is important because it can align the goals of the EDC, marketing, and merchant relation officer teams so that they do not work in silos. However, its impact on merchant participation and customer experience is considered less dominant than the first solution. Real-Time Performance Dashboard solution is on the order of third (3.55). Although very helpful in reporting and monitoring, solutions cannot directly address the root problem, especially related to merchant activation and integration communication at the point of sale.

The SMART Technique results show that the Integrated Merchant Engagement Program solution has scored the highest and is considered the most appropriate for solving the main problem in PT Bank XYZ's partnership program. This solution provides the best combination of transaction effectiveness, merchant participation, and long-term ROI potential. Sensitivity testing was conducted by changing the weight of one of the attributes (for example, A5 - Cost) to be higher (from 10% to 20%) to test its effect on ranking. As a result, integrated merchant engagement remained superior because the values of other key attributes remained dominant.

The SMART Technique results confirm that solutions that focus on merchant activation and increasing direct interaction at the point of transaction are more effective in driving credit card volume growth in the F&B sector. The following FGD results quote reinforces this:

"Currently, many merchants only stick promotional stickers, without any active communication to customers. The program is not alive in the field." (FGD – Marketing Officer, April 2025)

The Integrated Merchant Engagement Program solution directly addresses this issue, with a cashier training approach, promotional communication materials, transaction-based incentives, and strengthening local coordination between bank and merchant teams. In addition, the study results also confirm that this solution is aligned with the organization's needs to strengthen brand positioning at the point of sale (point of interaction) and increase customer touchpoints that impact brand loyalty and card usage.

Meanwhile, the Internal KPI Synchronization Framework solution must be run in parallel because it has a fundamental role in forming an integrated organizational foundation. This approach acts as an enabler that strengthens the effectiveness of the merchant engagement program as a whole. Another quote from the FGD emphasized the importance of internal alignment as a prerequisite for the success of the program:

"Our EDC only focuses on merchant acquisition, but marketing focuses on activation. There should be a shared KPI so that everyone focuses on the result." (FGD – Assistant Marketing Officer, April 2025)

In this case, the second solution cannot be ignored, because it is the main support system so that the first solution can run effectively and sustainably. The Real-Time Partnership Performance Dashboard has marked an improvement in matter data transparency and speed reporting. This solution is ideally applied after the program is running to support the monitoring process, but it is not the main solution that solves the root cause of the problem.

Synthesize the Results to Determine the Best Alternative Solution

After conducting an in-depth analysis of the three alternative solutions using the decision analysis method and the SMART technique (simple multi-attribution rating technique), this section aims to synthesize the results obtained to determine the best solution that is most feasible to implement. The selection of solutions is based on integrating the solution's effectiveness in answering the root cause, the results of the SMART score ranking, strategic implementation considerations, and its synergy with PT Bank XYZ's long-term goals.

The SMART results show that the Integrated Merchant Engagement Program solution received the highest score, namely 4.3, outperforming two other alternatives: Internal KPI Synchronization Framework (score 3.85) and Real-Time Performance Dashboard (score 3.55). This assessment has considered various relevant criteria such as ease of implementation, impact on merchant engagement, increased transaction activation, alignment with bank strategy, and short-term and long-term risks.

Based on the table above and the results of the SMART attribute weighting, the Integrated Merchant Engagement Program was chosen as the best solution because it offers the most direct response to the main root of the problem, namely, low transaction activation and lack of merchant involvement in supporting the credit card program. This comprehensive solution combines education, cashier training, joint promotion incentives, and a concrete incentive-based monitoring system for merchants. FGD support matters. This is a statement from Marketing Officer PT Bank XYZ:

Many of these merchants are passive. If there is a program that can help them be proactive, with incentives and training, we think the effect can be immediate to activate transactions." (FGD – Marketing Officer, April 2025)

The Internal KPI Synchronization Framework occupies second place because there is no direct targeting of merchants or end-users, and solutions are unavailable. This impacts medium-long repair internal coordination, particularly between EDC and marketing teams. This solution is considered important for the sustainability of the partnership program, but it is supportive because it does not directly improve program performance at the cashier or merchant point.

Meanwhile, the Real-Time Partnership Performance Dashboard is a complement with strategic value in making decisions and evaluating programs quickly and dynamically. However, limitations on direct impact on transaction activation and the need for technology investment are limiting factors. The following strategic principles also support the selection of the Integrated Merchant Engagement Program as a top priority:

a. Fit with root problem: This solution directly targets the problem of merchant awareness and engagement.
b. Quick to impact: Compared to dashboard systems and KPI restructuring, engagement programs are applied and tactical.
c. Adaptable and customizable: Provides room for adaptation to merchant characteristics in various F&B segments.
d. Supported by stakeholders: During the FGD, most respondents supported this solution because it was considered pragmatic and easy to implement.

For example, one of the comments from the Credit Card Head said:

"If the merchant is active and the cashier can communicate the promo well, it can directly increase card usage. Internal KPIs can follow, the important thing is traffic first." (FGD – Credit Card Head, April 2025)

Although the Integrated Merchant Engagement Program is designated as the primary solution, it does not mean the other two solutions are neglected. The study recommends a phased and simultaneous integration strategy, where implementations are carried out in parallel with different execution priorities:

a. Integrated Merchant Engagement Program → launched as the main program at the beginning stage.
b. Internal KPI Synchronization Framework → implemented to coordinate repair structure internal coordination and strengthen program management.
c. Real-Time Performance Dashboard → developed as a system Supporter For supporting data-driven and agile decision-making.

This strategy considers dependency logic (logic) dependence between the solution, where the effectiveness of the main program will be more optimal if supported by internal alignment (through KPI synchronization) and system control periodically (via dashboard).

Implementation Plan & Justification

After thorough stages analysis, comprehensive use of Kepner-Tregoe problem analysis, decision analysis, and reinforcement through the SMART technique, this compiled plan implementation is based on the solution that has been selected. The goal is to ensure that the "Integrated Merchant Engagement Program" is the best solution. The two supporting solutions, "Internal KPI Synchronization Framework" and "Real-Time Performance Dashboard", can be implemented in an effective, realistic, and impactfully, directly to upgrade the card partnership performance PT Bank XYZ credit with F&B merchants. This planning is prepared by taking into account four main elements:

a. Activities/strategies to be implemented
b. Timeline
c. Main person in charge (stakeholder/owner)
d. Success indicators

The following are the stages of the implementation plan, which are divided into time phases and responsibilities:

Table 10. Strategic Implementation Plan for XYZ Bank Partnership Program – F&B Merchants

Month	Activity Key	Related Stakeholders	Output/Deliverables
1	Project Kick-Off & Socialization	Credit Card Division, Merchant Team	Internal Briefing Document, Project Charter
2–3	Merchant Segmentation & Partnership Mapping	Marketing, Data Analyst	Segmented Merchant List
3–4	Development of Engagement Toolkit (training, FAQ, visual aid)	Marketing, Communication	Engagement Materials Finalized
4–6	Merchant Onboarding & Training	Relationship Manager, Merchant Ops	Training Completion Report
5–8	Launch of Integrated Campaign	Marketing & Digital Team	Campaign Execution Log
6–10	KPI Realignment Workshops	HRD, Credit Card Division	Revised KPI Documentation
9–12	Deployment of Real-Time Dashboard (pilot)	IT & Data Engineering	Pilot Dashboard Ready & Tested

12	Performance Review & Adjustment	All Divisions Involved	Performance Report & Optimization Plan

This table lays out a structured and realistic 12-month implementation plan. Starting from initiation projects, mapping of target merchants, to performance dashboard launch in real-time. Each activity is specifically identified, complete with the involvement of key stakeholders such as the credit card division, marketing team, and information technology. This planning is designed to provide tactical direction in implementation and allow tracking progress through concrete deliverables at each phase. For example, merchant training is carried out in stages to ensure effective information transfer before the digital campaign begins. The final stage, in the form of performance evaluation and optimization plans, ensures the continuity of the strategy that has been implemented. To ensure smooth implementation, assessment is also carried out of risk implementation and mitigation strategies:

Table 11. Risk Identification & Mitigation

Risk Potential	Timing	Impact	Trend	Mitigation Strategy
The merchant is not responsive to engagement.	Immediate	High	Increasing	Use merchant champions and create an incentive/reward system to increase participation.
Internal team resistance to new KPIs	Short-term	High	Stable	Involve the team early in the process, and conduct workshops for buy-in
The dashboard system is inaccurate during the pilot phase	Immediate	High	Stable	Validate data thoroughly before full-scale implementation
The budget was not disbursed at the appropriate time	Mid-term	Medium	Decreasing	Intensify coordination with financial management for timely disbursement

This table lists possible risks during strategy implementation, focusing on four main dimensions: merchant response, internal resistance, technical problems on the dashboard, and budget obstacles. Each risk is categorized based on its impact and probability of occurrence, which is then followed by a concrete and practical mitigation strategy. For example, for the risk of resistance to KPI alignment, the solution approach involves the team through intensive workshops. This approach is consistent with literature such as Noble & Smith (2015), which emphasizes the importance of stakeholder involvement in structural change to create a sense of ownership and minimize resistance. This mitigation approach also aligns with the Potential Problem Analysis principle of the Kepner-Tregoe method used in the previous stage. The main focus is to predict obstacles before they occur and design appropriate contingency responses.

The selection of the "Integrated Merchant Engagement Program" strategy was based on the results of the SMART Technique, with the highest score (4.3), which shows that this strategy:

a. Addressing the root cause of low merchant activation and participation,
b. It is easy to run in nature with minimal modification to the existing structure,
c. Push collaboration active from merchant to education and promotion,
d. It can be measured from the growth of transactions and card activations.

While the other two solutions are complementary to maintain the sustainability of program performance:

a. "Internal KPI Synchronization Framework" helps align orientation Work between teams,
b. "Real-Time Partnership Dashboard" enhances accountability and agility in making decisions.

Conclusion

This study analyzed the root problems in PT Bank XYZ's credit card partnership with F&B merchants. It formulated data-driven solutions using the Kepner-Tregoe Problem-Solving Method, Fault Tree Analysis (FTA), and SMART. Key issues were identified as low internal synergy and lack of merchant involvement at the point of sale, compounded by the absence of real-time performance tracking and limited cashier education.

Three strategic solutions were developed:

1. Integrated Merchant Engagement Program (SMART score: 4.3) – A holistic approach to merchant engagement.

2. Internal KPI Synchronization Framework (SMART score: 3.85) – To enhance internal coordination.
3. Real-Time Partnership Performance Dashboard (SMART score: 3.55) – To track performance data.

These solutions directly address the identified root causes and demonstrate the effectiveness of the Kepner-Tregoe and SMART methods in strategic decision-making.

Post-implementation progress will be monitored through quarterly reviews of the Merchant Engagement Program, bi-annual evaluations of internal KPIs, and continuous tracking via the Real-Time Dashboard. Implementation is planned over six months, with regular assessments and adjustments based on performance data to ensure sustained improvements in merchant engagement, internal coordination, and overall program success.

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