

ABSTRACT

This study purposes to test and analyze the extent of the influence of the Merchant Discount Rate (MDR) reduction strategy on merchant satisfaction and the use of Electronic Data Capture (EDC) machines, as well as exam and analyze the extent of the influence of the loyalty point strategy on merchant satisfaction and the use of EDC machines. This study also aims to test and analyze the influence of merchant satisfaction on the use of EDC machines at Bank X Regional Office Denpasar merchants.

The research method used is a quantitative method with a type of research that is descriptive and analytical. The data analysis technique in this study uses descriptive analysis methods and Smart PLS.

The results showed that there was an impact between the strategy of reducing MDR as customer cost on merchant satisfaction and increasing the frequency usage of the EDC machine. The loyalty point strategy as an incentive and motivation does not affect the level of use of EDC machines, but there is an effect on merchant satisfaction. The results of the study also showed the effect of merchant satisfaction using EDC machines on the level of use of EDC machines at Bank X Regional Office Denpasar.

Keywords: *Merchant Retention, Merchant Satisfaction, Loyalty Point, MDR Reduction Strategy.*

