Research article

CROSS SELLING: INNOVATIVE SALES STRATEGY IN INCREASING THIRD-PARTY FUNDS AT BANK JATIM BLOCKOFFICE MALANG

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Abstract: This study discusses the application of *cross selling* strategies as an innovative effort in increasing Third Party Funds (DPK) at Bank Jatim Blockoffice Malang. Deposits are one of the main indicators of a bank's success, reflecting the level of public trust and the bank's ability to manage funds to support operations and credit. In the banking industry, increasing deposits is very important because it has a direct effect on the bank's credit disbursement capacity and financial stability. The *cross-selling* strategy is implemented by offering additional products or services to existing customers, such as savings, deposits, or digital banking services, so as to not only strengthen relationships with customers but also increase customer revenue and loyalty.

Keywords: *Banks, Third Party Funds, Cross selling*

INTRODUCTION

A bank is a legal entity that collects funds from the community in the form of savings and returns to the community in the form of credit or loans that aim to improve people's living standards. Banks are divided into two types, namely People's Credit Banks (BPR) and Commercial Banks. Commercial banks are banks that carry out business activities conventionally and/or based on sharia principles that in their activities provide services in payment traffic (OJK, 2021).

Third Party Funds (DPK) are funds collected by banks from most bank deposit products, including funds obtained from the wider community, namely the government, companies, individuals, or others. (Adnan et al., 2016:52). Deposits collected by banks are in the form of savings, deposits, and current accounts in the form of foreign exchange and rupiah. One of the elements of income formation, where this deposit will be distributed to the community in the form of credit or loans.

In the banking industry, the increase in Third Party Funds (DPK) is one of the main indicators of a bank's success. Deposits reflect the level of public trust in banks and the ability of banks to manage funds to support operations and provide optimal financial services. (Syahru Ramadlan Al-Ghoffar, 2024). For banks themselves, deposits are the basis for decisions or policies within the bank. When deposits are in a stable state, this will provide certainty to banks to provide credit decisions which will also be higher. Because the more stable the deposit, the higher the bank credit is. Deposits have a positive effect on credit distribution so that when funds are collected from the community, the decision on credit distribution will also be higher. O'Neill, (2015).

There are various ways to increase deposits with marketing strategies, such as: personal selling, marketing mix and cross selling. Cross selling is a marketing strategy carried out by banks that aims to increase the number of users of the products and programs offered. Cohen (2014) defines cross selling as a marketing strategy that offers more goods and services to the company's customers. Cross selling according to Surveyandini (2016) is a technique of selling goods and services that are related to each other and used for business and introducing different products and services to customers so that they are willing to use more than one product or service.

In general, the strategy cross selling can be interpreted in the form of a marketing strategy that aims to offer a new type of product or service to customer that already exists, so that customer can complement the main products that have been used before (Apris 2021). Based on the above definitions cross selling is a mutually beneficial strategy for both parties. For sellers cross selling It can increase product sales profits and also increase customer loyalty and trust. On the other hand, for customers, cross selling can help him in obtaining additional products to help the main product that has been used.

One effective strategy to increase deposits is through cross-selling activities. This strategy allows banks to offer additional products and services to existing customers, thus not only strengthening relationships with customers but also increasing revenues from various banking products. By utilizing cross selling, banks can save on marketing costs, increase customer loyalty, and expand market share without having to spend large resources to attract new customers.

The implementation of the cross-selling strategy is inseparable from the challenges faced by banks, especially at Bank Jatim Blockoffice branches. Sometimes, ineffective communication between banks and customers is often an obstacle to the success of this strategy. In addition, competition with conventional banks that have greater resources is a serious challenge such as Bank Jatim Blolockoffice's functional office. However, opportunities remain wide open for banks to increase the number of customers and strengthen public trust in their banking products. With product diversification, such as additional savings or competitive interest-bearing deposits, cross-selling strategies can be an innovative solution to these challenges. . From research by Afriani and Nasition (2023), encouraging the implementation of cross-selling can increase customer loyalty, but cross-selling itself cannot increase customer loyalty if the customer uses other banks' cross-selling products . "Customer trust is the basis of the long-term relationship between the company and its customers, a sense of loyalty and customer trust arises because the company is able to provide performance and services that meet customer expectations" (Akbar (2022:8).

The purpose of this study is to find out the effect of cross selling activities at the Functional Office of Bank Jatim Blockoffice Malang can increase deposits. By offering additional products and services to existing customers. Despite its own challenges such as fierce competition and suboptimal communication, the opportunity to increase deposits through cross-selling remains wide open with product diversification and also strengthening the digital ecosystem. Thus, through this strategy, Bank Jatim is expected to expand market loyalty, increase revenue, and strengthen customer loyalty.

LITERATURE REVIEW

In Law No. 10 of 1998 concerning banking in article 1 paragraph 5, the definition of deposits in banks is as funds entrusted by the public to banks based on deposit agreements in the form of current accounts, deposits, certificates of deposit, savings and or other forms that are equivalent to it. The source of funds obtained by this third party will have an impact on the ability to meet the scale and volume of transactions which will ultimately be able to increase profits.
Current accounts are third-party deposits in the form of rupiah or foreign exchange, which can be withdrawn at any time using checks, or other government means of payment can also be made by transferring books. (Adnan & Santoso, 2016). Savings are deposits whose withdrawal can only be made with conditions, but cannot be withdrawn through checks, bilyet, giro and other means of payment. Savings withdrawals are usually made easy for customers, namely through ATM machines or can also be done by visiting banks directly which usually use passbooks. (Kasmir, 2013:102). Deposits are withdrawal deposits that can only be made within a certain period of time in accordance with the customer's initial agreement with the bank, so withdrawals between the agreed times are not allowed. Wahjono (2013:94)

Deposits come from the public or customers consisting of current accounts, savings, term deposits and deposits. Technically, when deposits obtained from the public increase through bank products, the more banks offer financing to the public through credit. In Kuncoro's (2002) research on daily activities, banks must have funds in order to provide credit to the public, where deposits are the largest source of funds for the most reliable banks. In Maltuf Fitri's (2016) research, deposits play a role in the distribution of financing or credit to institutions where this determines business continuity so that it must be done carefully and carefully. However, fundamentally, credit distribution activities at banks begin through management policies in making decisions about whether funds need to be distributed. This decision is determined by the company's liquidity ability to provide funds, considering that deposits themselves come from the community or customers, so this condition needs to be considered, whether deposits are available sufficiently or not. For the bank itself, the deposit is used for financing and managing the bank system starting from operations, salaries, to other expenses.

Increasing deposits in East Java banks uses various strategies, one of which is the *cross selling*. *Cross selling* itself is a marketing strategy used to increase the number of products used by existing customers. In the context of banking, *cross selling* This means offering additional products to active customers, such as credit cards to savings account owners, or offering time deposits to customers who use mobile banking services. (Kotler & Keller, 2016). The strategy includes improving the quality of customer service, offering competitive deposit interest, developing innovative products such as rewarded savings or sharia-based deposits, and digital marketing campaigns to reach the younger generation who are literate in technology. (BI, 2020). This strategy is considered quite efficient because it utilizes existing customer databases, so acquisition costs are relatively low.

Steps in doing *cross selling* This includes segmentation and analysis of customer behavior, identification of appropriate additional needs, and persuasive communication approaches. Customer Relationship Management (CRM) plays a very important role in supporting customer data analysis and personalization of product offerings (Banks, 2010). Frontliners or Relationship Managers need to be trained to understand products in depth so that they can take a solution-based approach and not just sales. CRM is a strategic approach in managing the relationship between companies and customers through the use of technology, business processes, and human resources to increase customer satisfaction, loyalty, and long-term value. According to Buttle and Maklan (2015), CRM is not just software, but also a business philosophy that is oriented to the interests of the needs of the customer, not only customer preferences to create a personalized and valuable service experience so that the strategy *cross selling* can be applied to increase deposits. In practice, CRM consists of three main components, namely: operational, analytical, and collaborative. Operational CRM focuses on automating the sales, marketing, and customer service processes, especially those that interact directly. Analytical CRM using *data mining* and *business intelligence* to evaluate customers' historical data and predict future needs. Meanwhile, collaborative CRM focuses on communication between departments within the bank to unify customer information from various channels. These three components work synergistically to create a comprehensive approach to customer relationship management. The advantages of CRM itself are also very helpful in the strategy *cross selling* Where banks can find out what products are owned by customers and their preferences so that when offering additional products can be done on target, not only that, with CRM customer complaints can be handled more precisely and accurately because customer historical information is available in full.

Impact of strategy success *cross selling* very positive for banks. This success can increase deposits, expand the fee-based income base, and strengthen customer loyalty because they feel they are provided with relevant financial solutions. Conversely, if this strategy fails, it can lead to negative perceptions and even loss of customers due to poor or unintended service experiences. (Kotler & Keller, 2016).

The implementation *of cross selling* at Bank Jatim Blockoffice focuses on strengthening the digital ecosystem and increasing customer loyalty. One of the products that helps the *cross selling* strategy at Bank Jatim is digital applications such as JConnect Mobile and JConnect Invest which have made it easier for customers in terms of transactions and also expand access to other additional financial products. Through this platform, customers can easily access various services such as credit application and investment. This is a tangible form of an integrated *cross selling* strategy .

Cross-selling is basically a method of selling that is profitable for both parties, both the seller and the buyer. Cross-selling is a sales concept that uses the main product as a trigger for subsequent sales. Cross-selling is one of the most interesting art of selling. Because with this technique, it can be possible to resell after the first sale has previously occurred, due to the need relationship. *Cross-selling* is designed to increase consumer confidence, and reduce the possibility of consumers moving to other companies (retaining customers). The three main benefits of *cross-selling techniques* according to Chasin (2015), namely: Increasing *Company Revenue*, Increasing Customer *Loyalty* and Increasing *Customer Awareness*.

According to Fred R David (2015), marketing is an effort to meet the needs and desires of its customers for products and services. To find out the needs and desires of consumers, every bank needs to conduct marketing research, because by conducting marketing research, it is possible to find out the true wants and needs of consumers. The bank's marketing objectives in general are: 1. Maximizing consumption or in other words facilitating and stimulating consumption so that it can attract customers to buy products offered by banks repeatedly. 2. Maximizing customer satisfaction through various services that customers want. Satisfied customers will be the next spearhead of marketing, because this satisfaction will be transmitted to other customers through stories (word of mouth).

METHOD

This study uses a descriptive qualitative approach that describes in depth the cross-selling activities in the banking industry. According to Sugiyono (2020), descriptive qualitative research as a research method based on the philosophy of postpositivism, is used to research the natural conditions of objects, with the researcher as a key instrument and research results that emphasize meaning rather than generalizations and use SWOT analysis to find out the strengths, weaknesses, opportunities, and threats faced by Bank Jatim in implementing the strategy *cross selling*. This analysis provides a systematic framework to understand the internal and external factors that affect the effectiveness of such marketing strategies as well as how banks can maximize their potential but can also overcome existing challenges.

In collecting data, the researcher used data collection techniques, semi-structured interviews conducted with FO staff, Head Office, and Teller where they were directly involved in *cross selling activities* at Bank Jatim Blockoffice Malang. Semi-structured interviews were chosen because they provide the flexibility for the author to explore the participants' experiences, views, perceptions, and marketing strategies in depth, while allowing the writer to follow the respondents' natural flow of thought. In addition to interviews, the researcher also conducted direct observations to see how *the cross selling process* was carried out, the interaction between staff and customers, and the obstacles that arose during the implementation of the strategy.

The object studied here is the Bank Jatim Blockoffice Malang office located on Jl. Mayjend Sungkono on the first floor, Arjowinangun, Kedungkandang District, Malang City, East Java. The selection of the location is based on the consideration of the head office where *cross selling* is often carried out. This research was conducted for 4 months, from February to May 2025. In this place, the author can identify the internal and external factors that affect the success of the strategy. Thus, the author not only contributes to the academic understanding of *cross selling* in the context of banking, but also provides suggestions that can be used The procedure of this research uses a semi-structured interview technique so that it follows the flow of thought from the participants, not only that the author also uses direct observation and documentation when carrying out *cross selling activities*.

RESULTS & DISCUSSION

The implementation of the cross selling strategy at the Bank Jatim Blockoffice Malang Functional Office can be analyzed in detail through the SWOT (Strengths, Weaknesses, Opportunities, Threats) approach to understand in depth the internal and external factors that affect the success of this strategy.

The main strength of Bank Jatim Blockoffice Malang lies in its location adjacent to the Bapenda office which causes many customers to use Bank Jatim products, its ability to take advantage of direct interaction with customers who come to the office to make transactions. Through this approach, staff such as Funding Officers (FO) and tellers can personally offer additional products that are relevant to customer needs, for example advocating the opening of a Tabunganku account before Simpeda to provide a cost-effective solution for administration. The synergy of all employees in promotion, not only limited to FO and tellers, strengthens the effectiveness of the cross selling strategy because the entire team is actively involved. This approach is also supported by the implementation of clear operational standards, so that the product offering process runs systematically and can increase customer satisfaction and loyalty. In addition, complementary product offerings provide added value for customers and encourage the possibility of them recommending bank products to others.

There are several drawbacks that need to be overcome. One of them is the high dependence on face-to-face promotions at branch offices, so that the reach of promotions is limited only to customers who come directly, so that they are less known by customers. This hinders the potential for expansion to a wider customer segment, especially in today's digital era where many customers prefer online or mobile banking services. In addition, uneven understanding and cross-selling skills among all employees can lead to inconsistencies in the delivery of product information and offering techniques. Not only that, the use of group WA used for promotion in the area also poses many risks such as *cyber crime*. The complexity of banking products is also a challenge in itself, because not all customers easily understand the benefits of the additional products offered, so more intensive education and communication are needed.

Great opportunities are opening up in line with the trend of banking digitalization and the increasing need for diverse financial products. Bank Jatim can utilize digital technology, such as mobile banking applications and social media, to expand the reach of promotions and cross-sell more effectively and efficiently. By personalizing offers based on transaction data and customer preferences, banks can provide more relevant product recommendations and increase the likelihood of cross-selling success. In addition, increasing public awareness of the importance of financial management opens up opportunities for banks to offer additional investment, insurance, or credit products that suit customer needs.

The threats faced include increasingly fierce competition from other banks that also implement a cross-selling strategy with greater resources and more advanced technology. If product promotions are carried out excessively or not according to needs, customers can feel disturbed and actually reduce loyalty levels, and even have the potential to move to other banks. In addition, regulation and compliance with banking rules are challenges in itself, because every cross-selling activity must comply with applicable regulations so as not to pose legal or reputational risks for banks. Product

complexity and lack of education to customers can also lead to resistance or misunderstandings that negatively impact the bank's image
Thus, this detailed SWOT analysis shows that the success of the cross selling strategy at Bank Jatim Blockoffice Malang is highly dependent on strengthening internal excellence, improving employee skills, utilizing digital technology, as well as risk management and good communication to customers so that this strategy can run optimally and sustainably.

Table 1 SWOT

Strengths (S): ● The location of the office adjacent to the Bapenda office causes many customers to use Bank Jatim products. ● Cross selling techniques used by marketing staff that cause it to attract customers. ● Strengthening Cooperation with Bapenda to make it easier to cross *sell*	Weakness (W): ● Bank Jatim products that are not well known to customers. ● Still using conventional marketing techniques, namely face-to-face ● Lack of use of social media in *cross-selling.* ● Use of promotions from WA groups.
Opportunities (O): ● There is a more comprehensive development of the JConnect application so that it can attract customers to use the JConnect application. ● It is better to use WA Channel, where only the Channel owner can send information and is safer from *cyber crime* and fraud. ● Expanding new types of payments that can be combined with Bapenda offices, for example using EDC machines or from Shopee. ● At the time of mbanking activation, it is better to charge the bank credit fees, but by providing an initial fee in opening an account so that it includes the opening of mbanking. ● Providing photocopies and stamp sales because the bank jatim office is far from photocopying.	Threats (T) ● Other banking programs are more attractive than bank jatim so that customers are interested in other banks. ● The services provided by Bank Jatim have not been optimal in activating mbanking and opening new accounts. ● The complexity of the product makes customers often lack understanding.

Table 2 SWOT Strategy

	Strengths (S)	Weakness (W)
Opportunities (O)	Bank Jatim can be done by utilizing the strategic	It can be directed to increase promotion and

	office location and cross selling techniques that have been applied to support the use of the JConnect application which is increasingly growing. By strengthening cooperation with Bapenda, Bank Jatim can expand new types of payments and make it easier for customers to use digital services, especially through the integration of EDC payments or other digital platforms such as Shopee. In addition, the use of WA Channel for safer communication can increase customer trust and convenience in digital transactions.	introduction of Bank Jatim products that have been little known, especially through the use of social media and WA group-based promotions. Bank Jatim also needs to optimize the use of the JConnect application and expand payment features to compete with other banks, as well as provide training to staff to maximize the use of digital technology and modern marketing techniques, so that they can attract more new customers.
Threats (T)	Bank Jatim can focus on using internal strengths such as office locations close to Bapenda and cross selling techniques to face competition from other more attractive banking programs. Bank Jatim can improve the quality of services and accelerate the process of activating new accounts so that they are not less competitive. In addition, by strengthening cooperation and secure communication through the WA Channel, Bank Jatim can provide added value for customers and reduce the risk of cyber crime that is a threat in today's digital era.	Banks need to improve existing weaknesses, such as increasing product promotion to be better known to the public, reducing dependence on conventional marketing techniques, and improving services to maximize their performance. Bank Jatim also needs to simplify the product and the process of activating new accounts so that they are easier to understand by customers, so that they can reduce the risk of losing customers due to the complexity of products and services that are not optimal.

The SWOT analysis shows that the strength of *the cross selling* strategy lies in the bank's ability to take advantage of the relationships that have been established with customers. According to Kotler and Keller (2016), a good relationship with customers not only increases satisfaction but also loyalty, which in turn can drive an increase in deposits. In addition, banks have access to data that can assist them in identifying customer needs, thus enabling them to offer relevant and timely products.

Table 3 Deposit data for the last 5 years

Funding	Year (in Rupiah)				
	2020	2021	2022	2023	2024
Third Party Funds (DPK)	52.412.975	63.668.950	64.630.285	63.205.317	62.787.996

Table 3 shows that deposits from 2020 - 2022 have increased, which is as large as but only in 2021 did it experience a significant increase, namely Rp. 11,255,975 billion because in 2020 there was a Covid 19 pandemic. However, from 2022 to 2024, there has been a decrease of Rp. 1,842,289 billion.

CONCLUSION

The *cross selling* strategy has proven to be an effective marketing method to increase Third Party Funds (DPK) at Bank Jatim Blockoffice Malang. Through this approach, banks can offer additional products to existing customers, thus not only strengthening relationships with customers, but also increasing customer revenue and loyalty. *Cross-selling* allows banks to leverage existing customer databases, save on acquisition costs, and expand market share without having to spend huge resources to attract new customers

Based on the research conducted, it can be concluded that *the cross selling strategy* is an effective approach in increasing Third Party Funds (DPK) at Bank Jatim Blockoffice Malang. This strategy not only increases the number of users of the product, but also strengthens the relationship between banks and customers, which ultimately contributes to the stability of deposits. During the 2015-2025 period, the implementation of *cross selling* supported by SWOT analysis showed positive results, with an increase in customer satisfaction and loyalty. This is in line with previous research that shows that good relationships with customers affect bank lending decisions (Wulan Lestari Oka et al., 2015).

However, the implementation of *cross selling* also faces various challenges, such as less effective communication between banks and customers and competition with other banks with greater resources. However, with product diversification, strengthening the digital ecosystem, and improving service quality, Bank Jatim Blockoffice still has a great opportunity to increase deposits and strengthen public trust in their banking products. The success of this strategy is highly dependent on the bank's ability to understand customer needs, as well as adequate training for employees to effectively implement cross-selling techniques . In addition, the challenges of increasingly fierce competition, especially from fintech, also need to be anticipated so that this strategy remains relevant and effective.

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