

The Service Quality Effect Towards the Customer Satisfaction of Bank in Indonesia

Bakhtiar Tijjang¹, Nurfadhilah², Pandi Putra³

^{1,3}Sekolah Tinggi Ilmu Ekonomi Amsir

²Institut Agama Islam Negeri Parepare

Abstract

Nowadays the competition of the company is started increasingly and tighter. The success factor is strongly determined by the level of customer satisfaction. Satisfied customers are needed very much by the company. Customer satisfaction can only be achieved by providing quality services to consumers. The purpose of this study is to examine and analyze the impact of service quality which consists of five variables, which are physical evidence, reliability, responsiveness, assurance, and empathy on customer satisfaction at PT Bank Mandiri (Persero) tbk. Parepare Branch. The data were collected by providing questionnaires to 100 customers who were sampled in this study. The samples were selected using proportionate stratified random sampling method. The collected data were analyzed using multiple linear regression analysis that supported of SPSS version 21 application. The results of the analysis show that partially, there is no one variable of service quality that has no effect on customer satisfaction, the variable is physical evidence, while the other variables have a positive and significant effect on customer satisfaction. Otherwise, if the determined results simultaneously are the five variables of service quality that both have a positive and significant effect on customer satisfaction.

Keywords: customer satisfaction; service quality; bank in indonesia

INTRODUCTION

The current national economic which growth encourages the enthusiasm of every organization or service provider to be able to improve and develop its business. The company's competition is open increasingly and tighter nowadays, the success factor is strongly determined by the level of customer satisfaction. Satisfied customers are very much needed by the company. Customer satisfaction can only be achieved by providing quality services to consumers. (Gunadi, 2002) states that in order to win the competition, every organization or service provider must pay attention to the needs and desires of consumers or customers, and try to meet their expectations, so it could provide the satisfaction to consumers or customers.

In customer satisfaction or dissatisfaction is usually coming when the customer is in contact with front line employees in a company. (Lewis & Entwistle, 1990). Customer satisfaction is a level where customer needs, wants and expectations can be fulfilled which will result in repeat purchases or long loyalty. In the bank, the consumer is the customer. Customer satisfaction is someone's expression in providing value or optimizing the value that someone feels and expects on a product or service (Hadiati, 2004: 300).

Long time ago, service quality was developed on the basis of the criteria set by the company, while now it has shifted to an understanding according to consumer criteria (Gardenia, 2008). Service quality is usually conceptualized as a comparison between the expected service

² Corresponding author. dhila.bakhtiar89@gmail.com

and the perceived performance which received (Caruana, Money, & Berthon, 2000). Yonggui (2004: 125) states that for a company, especially a service company, service quality greatly affects the level of customer satisfaction. Therefore the service companies is very important to set a strategy on how to improve service quality so that customer satisfaction is created. Service quality can be seen from five dimensions, which are: physical evidence, justice, assurance, responsiveness, and empathy (a. Parasuraman, Berry, & Zeithaml, 1991) The level of customer satisfaction with the services of an organization can be seen from customer satisfaction with the five dimensions of services that offered by the company (Mustikawati, 2009).

The development of services in the banking services business shows very fast, supported by technological advances that increasingly spoil human life. Bank must strive to improve the quality of services that provide many conveniences and advantages to create customer satisfaction (Tumbuan, Kawet, & Pontoh, 2014). PT Bank Mandiri (Persero) Tbk. strives to improve the quality of its services by fulfilling what is needed and considered important by consumers (customers). Customer complaints can be seen as service quality. The largest number of complaints, which are 14 complaints focused on long queue. The smallest number of complaints is on the type of product with 4 complaints. Referring to complaints from customers, the company is expected to be able to provide maximum service with creative ideas in order to retain customers.

This study seeks to explore how much customer satisfaction is at PT Bank Mandiri (Persero) Tbk, where since its inception the company has never conducted research on customer satisfaction and service quality that can influence it. Bank management needs to know the things that are considered important by customers from priorities in order to make improvements in an effort to achieve satisfaction and achieve customer satisfaction (Tuti Supriyatmini, 2005). For that, it is necessary to conduct research on customer satisfaction with service quality at PT Bank Mandiri (Persero) Tbk Parepare Branch.

Service Quality

Service is a very complicated thing. The word service can give a lot of meaning (Gronroos, 1988). Service quality has a big influence on customer loyalty (Khan & Fluent, 2014). The definition of service quality is centered on meeting the needs and desires of customers and the accuracy of their delivery to match customer expectations. Service quality is the level of excellence that expected and control over that level of excellence is to fulfill customer willingness. (Tjiptono, 2012: 87) Quality must start from customer needs and end with customer perception. This means that a good quality image is not based on the point of view or perception of the service provider but based on the customer's point of view or perception. Often we also hear the proverb which states that the customer is the king who must be served as well as possible.

Servqual model developed by (A. Parasuraman, Zeithaml, & Berry, 1985) has given success to several companies in various sectors, even though there are various types of services and customer needs, the Servqual model is very flexible so that it can be modified by people who will do research without changing the original structure of its five dimensions consisting of physical evidence, reliability, power responsiveness, assurance, and empathy (Al-Mhasnah, Salleh, Afthanorhan, & Ghazali, 2018).

The research is done by (Famiyeh, Asante-Darko, & Kwarteng, 2018) under the title service quality, customer satisfaction, and loyalty in the banking sector: The moderating role of organizational culture, shows that all the element in the service quality has positive and significant relation on customer satisfaction in the banking sector. However, another research which done by (Tresiya, Djunaidi, & Subagyo, 2019) shows the different result. The research under the title the influence of service quality and safety on customer satisfaction present that service quality doesn't effect customer satisfaction of Go-jek Online service user in City of

Kediri. Because the different of these two research, therefore it necessary to be researched more about the direct influence of customer service on customer satisfaction which specially in the banking sector.

Customer Satisfaction

Creating customer satisfaction is one of the cores of achieving long-term profitability for the company. Satisfaction is a description of the difference between expectations and performance (which is actually accepted). If expectations are high, while the performance is just standard, satisfaction will not be achieved or even it cause disappointment for consumers. Otherwise, if the performance exceeds the expected, satisfaction will increase. Since the expectations that consumers have tend to increase with increasing consumer experience, managers must constantly monitor their ability to meet increasing of high satisfaction line. The creation of satisfaction in the hearts of consumers is very beneficial for the growth of brand loyalty / loyalty (Kabu Khadka, 2017).

Satisfaction is the feeling of someone who is satisfied or not after comparing the reality and expectations received from a product or service (Kotler 2000: 36). the definition of satisfaction is: the response or reply of consumers about meeting needs. Satisfaction is an assessment of the characteristics or features of a product or service, or the product itself, which provides a level of consumer pleasure related to meeting consumer consumption needs (Zeithaml & Bitner, 2000: 75)

RESEARCH METHODS

Research is classified as associative research (relationship), which is research that aims to determine the relationship of one or more variables (Sugiyono, 2009: 5). The population in this study were customers of PT. Bank Mandiri, tbk whose number is unknown. To limit the number of samples, the number of alternatives are 5 multiplied by the number of attributes used in the study (Malhotra, 1982). The number of question items given to the respondent was 20 items multiplied by 5, so it can be determined that the number of samples in this study were 100 customers at PT. Bank Mandiri, tbk. The collected data were processed using linear regression analysis with the SPSS Version 20 application support. First doing the validity and reliability tests on all the instruments used in this study to ensure that they were all valid and reliable.

RESULTS AND DISCUSSION

The validity test is used to determine the accuracy of the measuring instrument used in correlating the answer scores for every question. The validity test is done by correlating the score of each question item with the total score obtained from the sum of all the question scores. If the correlation is significant, then the measuring instrument used has validity. Furthermore, if the correlation coefficient (r count) obtained is greater than r table then the question is valid, otherwise if the correlation coefficient obtained is smaller than r table then the question is invalid. The validity test is stated in table 1.

Table 1. Validity Test Results

Variable	r count	r table	Information
Physical evidence (X1)			
X1.1	0.534	0.296	Valid
X1.2	0.328	0.296	Valid
X1.3	0.539	0.296	Valid
Reliability (X2)			
X2.1	0.878	0.296	Valid
X2.2	0.832	0.296	Valid
X2.3	0.811	0.296	Valid
X2.4	0.432	0.296	Valid

Variable	r count	r table	Information
Response Power (X3)			
X3.1	0.535	0.296	Valid
X3.2	0.731	0.296	Valid
X3.3	0.518	0.296	Valid
Guarantee (X4)			
X4.1	0.328	0.296	Valid
X4.2	0.433	0.296	Valid
X4.3	0.602	0.296	Valid
Empatiy (X5)			
X5.1	0.436	0.296	Valid
X5.2	0.605	0.296	Valid
X5.3	0.311	0.296	Valid
Customer satisfaction (Y)			
Y1.1	0.601	0.296	Valid
Y1.2	0.878	0.296	Valid
Y1.3	0.834	0.296	Valid
Y1.4	0.454	0.296	Valid

Source; Processed data

Reliability test is a research instrument test, the test is used to determine the accuracy of the questionnaire answers in different periods, the research instrument can be reliable if it has a Cronbach's alpha value > 0.6. The reliability test is stated in Table 2.

Table 2. Reliability Test Results

No.	Variable	Cronbach's Alpha	Information
1	Physical evidence (X1)	0.826	Reliable
2	Reliability (X2)	0.691	Reliable
3	Response Power (X3)	0.836	Reliable
4	Guarantee (X4)	0.735	Reliable
5	Empatiy (X5)	0.723	Reliable
6	Customer satisfaction (Y)	0.879	Reliable

Source: Processed data

The results of multiple linear regression analysis can be seen in Table 3 based on the processing of the SPSS 20.0 for Windows program.

Table 3. Linear Regression Analysis

Table 1. Linear Regression Analysis						
Model	Coefficients ^a				T	Sig.
	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	Beta			
1	(Constant)	5,307	1,019		5,206	,000
	X1	-,046	,129	-,049	-,356	,723
	X2	,168	,097	,230	1,731	,024
	X3	,026	,106	,035	2,247	,036
	X4	,264	,108	,340	2,446	,019
	X5	,464	,114	,193	1,835	,038

a. Dependent Variable: Y

$$Y = 5.307 - 0.046 X1 + 0.168 X2 + 0.026 X3 + 0.264 X4 + 0.464 X5$$

Description :

- Y = customer satisfaction
- X1 = physical evidence
- X2 = reliability
- X3 = power responsive
- X4 = guarantee
- X5 = *empaty*

In table 3 it can be seen that of the five variables of service quality, it is known that physical evidence (X1) has a negative effect on customer satisfaction. Therefore, if the physical evidence variable is increased by 1 unit, customer satisfaction will decrease by 0.046. Meanwhile, the other four variables all have a positive influence on customer satisfaction. In addition, physical evidence is also shown to be insignificant for customer satisfaction, this is indicated by its significant value which is greater than 0.05 which is 0.723. Meanwhile, the variables of reliability, responsiveness, assurance, and empathy all proved significant for customer satisfaction with significant values of 0.024 respectively; 0.036; 0.019; 0.038 or in other words all less than 0.050.

Table 4. Results of the F Test Analysis

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4,311	5	, 862	2,633	, 036b
	Residual	14,409	44	, 327		
	Total	18,720	49			

a. Dependent Variable: Y

b. Predictors: (Constant), X5, X2, X4, X1, X3

Testing of the parameters simultaneously is carried out with the F test (F-test). Because $F_{\text{count}} (2,633) > F_{\text{table}} (2.30)$ then H_0 is rejected, this finds physical evidence, reliability, responsiveness, assurance, and empathy simultaneously have a significant effect on customer satisfaction.

This partial test used t_{table} through the real level $\alpha = 0.05$ and $df (n-k) = (56-4) = 52$, (0.05; 52), then obtained $t_{\text{table}} = 1.658$. The summary of the results of the t test analysis is presented in the following table 5.

Table 5. Results of t test analysis

Variable (X)	t _{count}	t _{table}	t test Answer	Hypothesis Answer	Sig.
Physical evidence	-0.356	1,658	$(-0,356) < (1,658)$	H_0 is accepted	0.723
Reliability	1,731	1,658	$(1,731) > (1,658)$	H_0 is rejected	0.024
Responsiveness	2,247	1,658	$(2,247) > (1,658)$	H_0 is rejected	0.036
Guarantee	2,446	1,658	$(2,446) > (1,658)$	H_0 is rejected	0.019
empaty	1,835	1,658	$(1,835) > (1,658)$	H_0 is rejected	0.038

Source: Processed data

In table 5 it can be explained that based on the t test it is known that physical evidence doesn't partially effect customer satisfaction, this is prove that the number of the t count of the physical evidence variable is smaller than the t_{table} , where the t count is -0.356 and the t_{table} is 1.658. Meanwhile, reliability, responsiveness, assurance and empathy all partially influence customer satisfaction. This is indicated by the t count of the four variables is greater than the t_{table} .

CONCLUSION

Based on the results and discussion above, it can be concluded that partially physical

evidence variables do not have a significant effect on customer satisfaction. While other variables, which are reliability, responsiveness, assurance, and empathy, the four of them have a positive and significant effect on customer satisfaction. If you look at the results of the analysis of this study, it can be said that Bank Mandiri customers do not really pay attention to the physical condition, in this case is the buildings that used by Bank Mandiri. This condition doesn't branch effect their satisfaction with saving in the bank. Bank Mandiri customers show more satisfaction from the reliability of the service they feel during transactions in the bank, then the responsiveness of the employees there also effects their level of satisfaction.

Furthermore, its simultaneously, there is the different results are obtained, which is indicated by the calculated f count that is greater than the f table. This shows that the five variables contained in service quality simultaneously have a positive and significant effect on customer satisfaction. Based on these results known that if Bank Mandiri simultaneously create improvements to all service quality variables, that will have a significant effect on customer satisfaction.

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