

The reaction towards Customer Satisfaction through the Service Quality Variable at Foreign Private Banks in Jakarta Headquarter

Muchammad Rizal Kurniawan¹, Halimah Rachmawati Utami², and Johan Hendi Prasetyo³

¹Student of Magister Management, Perbanas Institute, Jakarta, Indonesia

²Alumni of Economic and Business, Bina Sarana Informatika University, Jakarta, Indonesia

³Alumni of Magister Management, Mercu Buana University, Jakarta, Indonesia

Abstract:- This research was done surrounds the customers at Private Banks Office in Jakarta Headquarter. The researchers eager to find out how much the impact of service quality against the customer satisfaction. The research study method that have been used was the descriptive method with the quantitative approach. The sample of collecting method uses the stratified random sampling technique with total sample of 88 respondents. The Data analysis techniques by using SPSS version 25.0 with the Correlation Coefficient Test, The Determination Coefficient Test, and Simple Linear Regression Equation to determine the connection between The Service Quality variables and Customer Satisfaction variables. The results has showed that the 72.1% of customer satisfaction was influenced by service quality, while the last of 27.9% was affected by another variables which excluded from this research. These means that the higher the service quality whose offered by these Foreign Private Bank in Jakarta Headquarter, the higher stage of customer satisfaction was obtained.

Keywords:- Service Quality, Customer Satisfaction.

I. INTRODUCTION

These days the demands and the needs of the public towards the banking product services are increasing, alongside with the increasing of knowledge or the progress. It causing the people desire to keep their money on the bank, the bank would gives the stimulus in form of services return that will be provided to the customers. The Stimulation can be in form of the easiness in opening the savings account, high interest, gifts / souvenirs, free transfer fees between the accounts, security guarantees for funds which was deposited by customers, The ATM facilities which spread throughout Indonesia, whereas the customers can take and deposit every day without the limits.

Those above factors would make the service competition to customers increasingly thighten, the company's service units that previously only seemed to provide services in a modest manner but now are demanded to be able to delivered the best service quality for customers. The Service quality is one of the important factors in Banking business is an effort to increase the

customer pleasure which means that the highest services quality could driven stick customers to be more satisfied.

Banks need a lot of effort to get the prospective customers and keep everything thats already on their hands. The success of these businesses was largely determined by the company's ability to provide the better services Quality. The Service Quality was reflected on customer satisfaction by reusing the banking services. The Customer satisfaction in term of using the services or products offered that can be use as an advice for management to improve and revise the services quality which provided. To achieve that the employees at service division should always monitorized the satisfaction which felt by the banking customers to achieve customer satisfaction.

The Foreign Private Bank is a multinational financial services company that has been operations in more than 70 countries and one of the oldest banks in Indonesia. The Foreign Private Bank has been presented in Indonesia for around 150 years. With company value of Never settle, The Foreign Private Bank at Jakarta Headquarter has committed to always devote to the best attention, service, and ability to all its customers. According to those problem mentioned above, therefore the writer took the title of "*The reaction towards Customer Satisfaction through the Service Quality Variable at Foreign Private Banks in Jakarta Headquarter*".

II. THEORITICAL REVIEW

A. Service Quality

Quality is closely related to the customer satisfaction. The Quality gave an impulse on customers to sign on long-term mutually beneficial contract with the company. This kind of emotional connection will get a chance for company to deep understand towards the details of the expectations and needs of customers. According to Goetsch and Davis in Atmadjati (2018) the quality is a dynamic condition links to the products, services, human resources, processes, and the environment that meets or exceeds their hopefullness. According to Sallis (2015) the quality is about measuring up to a predetermined standard and meeting that standard many times. And Meanwhile, according to Yuliansyah (2014) the quality can be understood as conformity to its specifications and also as a form of compliance with its objects. According to those mentioned above, so the quality can be concluded as a

measure or quality of an item or service based on customer assessment compared the desires or needs of each individual.

The Interaction between the service creator and customers has often occurs in these environment though the people who involved are not aware of it. The Merit or services are not goods but a process or activity that is not tangible. According to Kotler and Keller in Sudarso (2016) said that the services can be defined as any actions or activities that can be offered by one party to another party which is basically intangible and does not result in ownership of something. According to Gronroos in Tjiptono & Chandra (2016) said that the service is a process which composed of a series of intangible activities that normally occur on interactions between the customers and customers service employees and / or physical resources or goods and or service creator systems which are advised as solutions to customer problems. Meanwhile, according to Daviddow and Uttal in Atmadjati (2018) the service is any business that enhances the customer satisfaction. According to above definition, a service or merit can be concluded as an actions or activity that offered to consumers or customers served, which is intangible and cannot be owned.

Service Quality is one important element that is a consider for customers in making the purchases or using a product or service. According to Parasuraman, Zeithaml, and Berry in Sudarso (2016) The Service quality is an assessment or global act regarding the superiority of service. Meanwhile according to Rasyid (2017) Service quality is the result of customer appraisal of further statement regarding the distinction of the expectations and reality which could be seen from a service that they received from the service providers (companies), both the assessment in part or as all. Then Dinhar & Nurmalsari (2018) added that the service quality can be known by comparing the customers' reaction towards the services that they had received or obtained with the services they actually wishes or desire for the service attributes from a company. If the customer's reaction towards the service are in line with the expectations, the service quality would considered as a good, but if the customer's reaction towards the service are not in line with the expectations, so the service quality would considered as a bad. Therefore, whether or not the service quality depends on the capability of service providers to consistently fills the customers desires.

B. Customer Satisfaction

Basically the target of a business is to create the satisfied of customers. Creating the customer satisfaction could give the benefits, such as the connection between the company and its customers being compatible, creating the customer loyalty, and creating a word-of-mouth recommendation which has benefits to the

company. According to Kotler in Atmadjati (2018) The Satisfaction is someone feels happy or disappointed that appears after comparing the perceptions or impressions towards the performance or product result with their expectations. Meanwhile, according to Lovelock and Wirtz in Nuralam (2018) The Satisfaction is an behaviour that decided based on the prior experienced . The Customer is an important factor in a bank. Then according to Pascoe in Gunawan & Hastuti (2018) said that the Satisfaction is the difference which felt between the reality and expectations. Based on those understanding, so it could be said that the satisfaction is an appraisal of the characteristic or privilege over the product or service that provides a level of pleasure on customers.

Banks which able to win the hearts of customers, who will get benefit from an increase in funds received from the community. According to Bank Indonesia Regulation Number: 7/7 / PBI / 2005, Customer is a party who uses Bank services, including those who do not have accounts but utilize bank services to conduct the financial transactions (walk-in customers). According to KBBI, Customer is a person who used to dealing with or becoming one of bank customer. Whereas according to the Law of the Republic of Indonesia Number 10 on 1998 stated that the Customer is the party who uses the services of a bank. Based on above understanding, it can be concluded that the customer is a person or entity that has a savings or loan from the bank.

The importance of customer satisfaction was related to the increasingly fierce competition, as well as the level of loss and profits of the company. The Profits are not always determined by customer satisfaction factors, but also by the trust and customers towards a product and company. According to Yazid in Suryati (2019) Customer satisfaction is the none of a difference between the expectations held and the performance that is actually received. If expectations are high, while the performance is mediocre, the satisfaction will not be achieved. According to Kotler in Suryati (2019) customer satisfaction is the level of one's feelings after comparing the perceived performance or results compared to his expectations. Whereas according to Mowen and Minor in Nuralam (2017) customer satisfaction has defined as the overall attitude towards goods or services after acquisition and use. According to Kotler in Tjiptono & Chandra (2016) there are several methods that every company can use to measure and monitor customer or consumer satisfaction, namely the complaints and suggestion systems, mystery shopping, lost cost analysis, and customer satisfaction surveys.

C. Thinking Framework and Hypothesis

Based on the theory according to some of the experts above, the authors could obtained the formula of thinking framework and hypothesis in this research as in belows:

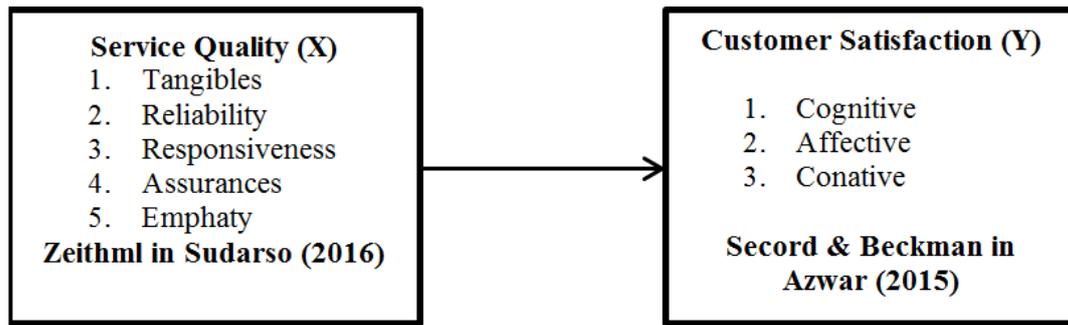


Fig 1:- Thinking Framework

The hypothesis in this research are:

H₀: There has no influence between service quality on customer satisfaction.

H_a: There has an influence between service quality on customer satisfaction.

III. METHODOLOGY

The research method which have been used in these study was the descriptive method with quantitative approach. The research Population has amounted to 756 people. The sample collection method uses the stratified random sampling technique filtrated to the total of 88 respondents (Slovin, 10% error tolerance). The Data analysis techniques by using the SPSS version 25.0 with some of the method of Correlation Coefficient Test, Determination Coefficient Test and Simple Linear Regression Equation to determine the connection between

the Service Quality variables and Customer Satisfaction variables.

IV. RESULTS AND DISCUSSIONS

A. Validity and Reliability Test

The Validity test was measured by using the Pearson correlation which comparing the r count and the r table. With a level of confidence $\alpha = 0.05$ and r table test of 0.2096. It could be seen that the highest and lowest validity test values of Service Quality variables are 0.773 and 0.382. In Customer Satisfaction variable has obtained the highest validity test value of 0.681 and the lowest of 0.282. From the results of the validity test it can be concluded that all instruments both Service Quality variables and Customer Satisfaction variables were declared valid because the value r count > r table.

No Item	r count X	r table	Information	No Item	r count Y	r table	Information
1	.621	0.2096	Valid	1	.554	0.2096	Valid
2	.382	0.2096	Valid	2	.560	0.2096	Valid
3	.773	0.2096	Valid	3	.458	0.2096	Valid
4	.494	0.2096	Valid	4	.681	0.2096	Valid
5	.687	0.2096	Valid	5	.634	0.2096	Valid
6	.689	0.2096	Valid	6	.319	0.2096	Valid
7	.639	0.2096	Valid	7	.282	0.2096	Valid
8	.696	0.2096	Valid	8	.403	0.2096	Valid
9	.723	0.2096	Valid	9	.448	0.2096	Valid
10	.703	0.2096	Valid	10	.344	0.2096	Valid

Table 1:- The Validity Test Results

Reliability has Connections to the consistency and predictability test on measuring the instrument. The examined was done by measuring the cronbach Alpha numbers where the determination of the Cronbach Alpha value should be least 0.6 or ≥ 0.6 . From these reliability

test results showed that all the research instruments both Service Quality and Customer Satisfaction variables were declared reliable with a Cronbach Alpha value > 0.6. The value of each Cronbach Alpha on the research instrument of each variable is 0.896 and 0.792.

Variable	Cronbac'h Alpha Value	Terms	Information
Service Quality (X)	.896	> 0,6	Reliable
Customer Satisfaction (Y)	.792	> 0,6	Reliable

Table 2:- The Reliability Test Results

B. Correlation Coefficient Test

The use of Correlation coefficient test was to find out the form and type of correlation influence between the Service Quality variables on Customer Satisfaction. Based on the calculation of results, the results that obtained

are 0.849 with a significance level of $0.000 < 0.05$ which means that there has a very strong relationship between the service quality and customer satisfaction at the Foreign Private Bank in Jakarta Head Office.

Correlations			
		TOTAL_X	TOTAL_Y
TOTAL_X	Pearson Correlation	1	.849**
	Sig. (2-tailed)		.000
	N	88	88
TOTAL_Y	Pearson Correlation	.849**	1
	Sig. (2-tailed)	.000	
	N	88	88

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3:- The Correlation Coefficient Test Results

C. Determination Coefficient Test

The coefficient of determination has purposed to search out the percentage variation of the independent variable used and able to explains the variation of the dependent variable. Based on test results of the determination coefficient, the R Square value between the

variable Service Quality to Customer Satisfaction is 0.721. This shown that the Service Quality variable influences 72.1% of the Customer Satisfaction variable and was influenced by other variables who's not explained in this research.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.849 ^a	.721	.718	2.269

a. Predictors: (Constant), TOTAL_X

Table 4:- The Determination Coefficient Test Results

D. Regression Equation Test

The Regression equation test is used to determine the direction and the influence magnitude of the independent variables against the dependent variable. From the results of these research, the coefficient for Service Quality variable is 0.498 and the constant value is 20.518, so the

regression equation is $Y = 20.518 + 0.498X$. Then based on the equation above, it shown that the large value of customer satisfaction regression at the Foreign Private Bank in Jakarta Headquarter without being influenced by Service Quality variables is at the level of 20,518.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	20.518	1.193		17.205	.000
TOTAL_X	.498	.033	.849	14.902	.000

a. Dependent Variabel: TOTAL_Y

Table 5:- Simple Linear Regression Test Results

V. CONCLUSIONS AND SUGGESTIONS

A. Conclusions

Based on the results of these research and those analysis it can be draw the concluded which namely:

- There has a very strong relationship around 0.849 its occur between the Service Quality variable and Customer Satisfaction at Foreign Private Bank in Jakarta Headquarters.
- There has an influence of 72.1% between the Service Quality variable on Customer Satisfaction at Foreign

Private Bank in Jakarta Headquarters and the last remaining of 27.9% was affected by another factors which excluded from this study.

- From these outcome of a simple linear regression analysis, the equation $Y = 20.518 + 4.98X$, could defined a significant influence with very strong catagories between the Service Quality variable on Customer Satisfaction at Foreign Private Banks in Jakarta Headquarter.

B. Suggestions

The suggestions from this research are based on follows:

- In providing the services, all the employees should be move faster and more responsive to incoming customers, so they do not have to wait for too long to use the bank services.
- Foreign Private Banks in Jakarta Headquarter should increase the number of ATMs in spread of locations so the customers could be more easily to get obtained on bank services.
- In increasing the customer satisfaction, the Foreign Private Bank in Jakarta Headquarter should provide more competitive interest.

REFERENCES

- [1]. Atmadjati, Arista. (2018). *Layanan Prima dalam Praktik Saat Ini*. Yogyakarta: Deepublish.
- [2]. Azwar, Saifuddin. (2015). *SIKAP MANUSIA Teori dan Pengukurannya*. Yogyakarta: Pustaka Pelajar.
- [3]. Dinhar, Adhitya dan Nurmalasari. (2018). *Kualitas Layanan Terhadap Kepuasan Pengguna Jasa Commuter Line Parung Panjang*. Diambil dari <https://ejournal.bsi.ac.id/ejurnal/index.php/cakrawala/article/view/3679/2584>.
- [4]. Gunawan, Fahmi dan Heksa Biopsi Puji Hastuti. (2018). *Seranai Penelitian Pendidikan, Hukum, dan Ekonomi di Sulawesi Tenggara*. Yogyakarta: Deepublish.
- [5]. KBBI Daring | kemdikbud.go.id. (2019). Diambil dari <https://kbbi.kemdikbud.go.id>.
- [6]. Nuralam, Inggang Perwangsa. (2017). *Etika Pemasar dan Kepuasan Konsumen dalam Pemasaran Perbankan Syariah*. Malang: UB Press.
- [7]. Nuralam, Inggang Perwangsa. (2018). *Manajemen Hubungan Pelanggan Perbankan Syariah Indonesia*. Yogyakarta: Deepublish.
- [8]. Peraturan Bank Indonesia Nomor: 7/7/PBI/2005 tentang Penyelesaian Pengaduan Nasabah. (2005). Diambil dari <https://www.bi.go.id/id/peraturan/perbankan/Documents/2d043afde24243849be744ea4237f430pbi7705.pdf>.
- [9]. Rasyid, Harun Al. (2017). *Pengaruh Kualitas Layanan Dan Pemanfaatan Teknologi Terhadap Kepuasan Dan Loyalitas Pelanggan Go-Jek*. Diambil dari <https://ejournal.bsi.ac.id/ejurnal/index.php/ecodemica/article/view/2026>.
- [10]. Republik Indonesia. (1998). *Undang-Undang Republik Indonesia Nomor 10 Tahun 1998*. Diambil dari <https://www.bphn.go.id/data/documents/98uu010.pdf>.
- [11]. Sallis, Edward. (2015). *Total Quality Management in Education*. USA: Stylus Publishing Inc.
- [12]. Sudarso, Adriasan. (2016). *Manajemen Pemasaran Jasa Perhotelan (Dilengkapi dengan Hasil Riset pada Hotel Berbintang di Sumatera Utara)*. Yogyakarta: Deepublish.
- [13]. Suryati, Lilis. (2019). *Manajemen Pemasaran: Suatu Strategi untuk Meningkatkan Loyalitas Pelanggan*. Yogyakarta: Deepublish.
- [14]. Tjiptono, Fandy dan Gregorius Chandra. (2016). *Service, Quality dan Satisfaction* (4th ed.). Yogyakarta: C.V ANDI OFFSET.
- [15]. Yuliansyah, Hendy. (2014). *Pengembangan Pemasaran Reza Bakery dan Kualitas Layanan dalam Meningkatkan Minat Beli Konsumen*. Diambil dari <http://ejournal.bsi.ac.id/ejurnal/index.php/ecodemica/article/view/96/75>.