

Factors Determining the Level of Service Quality on Satisfaction and Loyalty BRI Bank Customers in Indonesia

Kadek Adelia Nadya Kusuma, Indarini, Dudi Anandya

University of Surabaya, Surabaya, Indonesia

*Corresponding author. Email: inda@staff.ubaya.ac.id

ABSTRACT

This research was conducted to determine the influence of the level of service quality dimensions consisting of reliability, responsiveness, visibility, employee commitment, access to service on customer loyalty and customer satisfaction at BRI Bank in Indonesia. The results of this research can be a reference for companies in improving and maintaining service quality at BRI Bank to satisfy customers and make these customers loyal to use BRI Bank services. This research method uses Structural Equation Modeling (SEM) SPSS 25 and AMOS 24 which aims to analyze the data. This research distributed questionnaires on the Google Form site to 250 respondents and only 244 respondents in Indonesia were used for this research. The results of this research show that visibility, employee commitment, access to service have a positive effect on customer satisfaction; customer satisfaction has a positive effect on customer loyalty; reliability and responsiveness have no effect on customer satisfaction.

Keywords: *Customer loyalty, Customer satisfaction, Reliability, Responsiveness, Visibility, Employee Commitment, Access to service*

1. INTRODUCTION

The phenomenon of frequent economic and social developments involving the involvement of the service sector is currently very common. The service sector, which is an important instrument, is believed to have an impact on increasing the country's wealth. Optimizing relationships with customers is very important to maintain long-term relationships and their level of satisfaction (Yilmaz et al., 2018). Banks have an important position and role in increasing the wealth of a country. The bank becomes a benchmark in determining service quality in changing, creating and developing an effective strategy. This is done to provide an evaluation of customer satisfaction related to service quality dimensions in very tight market competition (Mualla, 2011). Customer satisfaction plays an important role in the competitive environment in the banking sector (Hossain & Leo, 2009). If customer satisfaction increases, it will have an impact on stronger customer loyalty (Kaur & Soch, 2018).

In 2022, BRI was named The Best Bank Service Excellence by calculating the level of customer satisfaction with the services provided by BRI. It was emphasized that 8,993 BRI branch offices in 34 provinces in Indonesia have good grades. Here it can be seen that access coverage is very important in improving service quality (Khoirul Anam, 2022).

Service quality problems that occur at BRI offline banks have a big impact on the level of customer satisfaction. Based on research by Islam et al. (2020), Pakurar et al. (2019), and Haron et al. (2020), this research was carried out with the aim of analyzing the influence of service quality dimensions. Therefore, this research applies several variables from the three journals, reliability, responsiveness, visibility, employee commitment, and access to service towards customer satisfaction in the banking sector.

The research hypothesis was developed as follows:

Reliability is used as a significant underlying factor in service quality to influence customer satisfaction (Zhang et al., 2019). An organization that has mastered reliability means that the organization has performed service efficiently and correctly the first time (Zeithaml & Berry, n.d.).

H1: Reliability has a positive effect on customer satisfaction

Misbach et al., (2013) argue that responsiveness is an important component that is used as a basis for consideration by a bank to increase customer satisfaction. Vencataya et al., (2019) confirmed this statement where in their research responsiveness was an influential component in predicting customer satisfaction in the Mauritius banking sector. On the other hand, Fida et al., (2020) found a positive relationship between satisfaction with Islamic banking services in the Sultanate of Oman.

H2: Responsiveness has a positive effect on customer satisfaction

Several factors have been summarized into the visibility dimension, namely the bank's outlook and cash counter, the privilege of the overdraft option, flexible hours in the banking sector, and comfortable service accompanied by speed and excellent transaction service. This has the potential to harm customer satisfaction (Kant & Jaiswal, 2017; Pakurár et al., 2019). According to research conducted by Khan et al regarding determining customer satisfaction at mobile banks in Bangladesh, there is a positive correlation between service form and customer satisfaction.

H3: Visibility has a positive effect on customer satisfaction

Creating and maintaining a long-standing relationship and connection with customers, which will create customer satisfaction, is by prioritizing personnel service (Baumann et al., 2011). Employee Commitment can be defined as one of the important factors in achieving long-term business development (Chai et al., 2016). Based on Dhar's statement, (2015) considers that in achieving goals and competitive advantages that influence customer satisfaction, employee commitment is necessary. The employee commitment here makes a positive contribution to the business company.

H4: Employee commitment has a positive effect on customer satisfaction

Access has an important point, namely providing convenience and comfort to customers, so that customers feel comfortable in using the services provided. This research proves that accessibility has an important role where accessibility can create great customer satisfaction (Kursunluoglu Yarimoglu, 2014). Access to services which is part of the service quality dimension has a significant direct and indirect positive impact on customer satisfaction and customer loyalty among consumers (Ladhari et al., 2011).

H5: Access to services has a positive effect on customer satisfaction

Research conducted by Leninkumar, (2017) shows that there is a correlated and related connection between customer loyalty and customer satisfaction. Customers who feel a high level of satisfaction tend to make repeat purchases and recommend them to other customers. This will continue until these customers can be considered loyal customers (Teeroovengadum, 2022). According to Munari et al., (2013) customer satisfaction is an important foundation for building customer loyalty. Loyal customers will strengthen positive experiences in purchasing the services provided.

H6: Customer satisfaction has a positive effect on customer loyalty

2. RESEARCH METHOD

The type of research is basic research where this research is a development of research conducted by Islam et al. (2020), Pakurar et al. (2019), and Haron et al. (2020). This research is included in causal research which aims to observe and identify cause-and-effect relationships or independent variables, namely reliability, responsiveness, visibility, employee commitment, and access to services on the dependent variables, namely customer satisfaction and customer loyalty. In this research, the researcher uses a quantitative approach where the researcher will collect data using a survey method which will be processed based on numerical measurements. This research method uses Structural Equation Modeling (SEM) SPSS 25 and AMOS 24 which aims to analyze the data. This research distributed questionnaires on the Google Form site to 250 respondents and only 244 respondents in Indonesia were used for this research.

In this research, the measurement level used is the interval measurement level. Measurements use a numerical scale with 5 scales. The initial scale ranges from 1, which means that the respondent "strongly disagrees," the scale continues to scale 5, which means "strongly agree" with the statement listed on the questionnaire.

3. RESULTS AND DISCUSSIONS

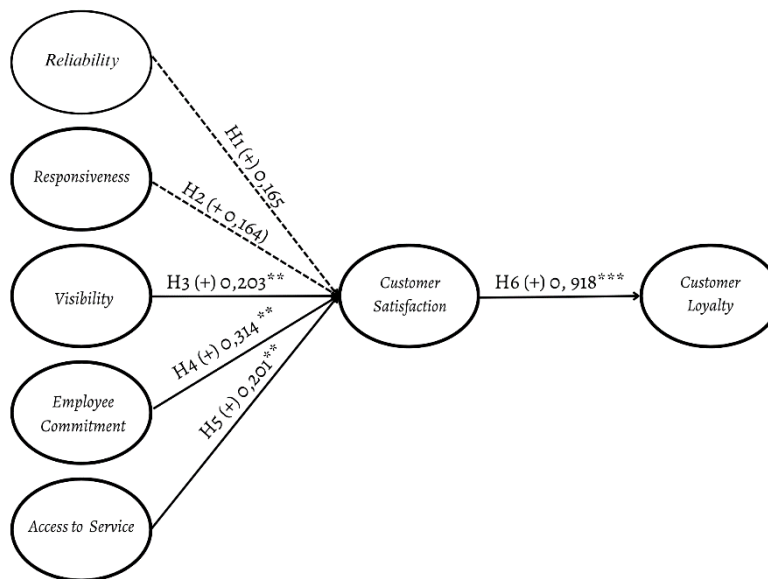
The results of the measurement model show that the CMIN/DF and RMSEA results have qualified the existing criteria, CMIN/DF of 1.820 (good fit), RMSEA of 0.061 (good fit), GFI of 0.844 (marginal fit), CFI of 0.934 (marginal fit), and TLI of 0.924 (good fit). Meanwhile, the results of the structural model show that the CMIN/DF and RMSEA results have met the existing criteria, namely CMIN/DF of 1.849 (good fit), RMSEA of 0.062 (good fit), GFI of 0.837 (marginal fit), CFI of 0.931 (marginal fit), and TLI of 0.921 (good fit).

Table 1. Hypothesis Testing Results

Hipotesis		Std. Estimates	C.R.	p-value	Note
H1 (+)	Reliability → Customer Satisfaction	0,165	1,431	0,152	Not Supported
H2 (+)	Responsiveness → Customer Satisfaction	0,164	1,524	0,127	Not Supported
H3 (+)	Visibility → Customer Satisfaction	0,203	2,016	0,044	Supported
H4 (+)	Employee Commitment → Customer Satisfaction	0,314	3,006	0,003	Supported
H5 (+)	Access to Service → Customer Satisfaction	0,201	2,073	0,038	Supported
H6 (+)	Customer Satisfaction → Customer Loyalty	0,918	10,306	***	Supported

Note: *** = significant with p-value < 0.001.

The hypothesis is said to be supported if it produces results in the same direction as the test results and produces a significant value according to the existing criteria, namely the $|C.R.| \geq 1.96$ (α value = 5%) or p-value ≤ 0.05 . Based on table 3, there are 4 supported hypotheses and 2 unsupported hypotheses. Hypotheses that have unsupported results are H1 and H2.

**Figure 1.** Result of the Hypothesis Test Research Model

Note: the numbers listed are standardized estimates

Dotted lines indicate unsupported relationships

***significant is assessed as p-value < 0.001

** significant assessed p-value < 0.05

* significant assessed p-value < 0.1

4. CONCLUSION

Researchers analyzed data using AMOS 24 to explore factors influencing customer satisfaction with BRI Bank in Indonesia. While responsiveness and reliability didn't directly impact satisfaction, aspects like employee commitment, service access, and bank visibility showed positive and significant relationships. Interestingly, customer satisfaction itself fostered loyalty. These findings, despite limitations, offer valuable insights for BRI and future research.

For BRI, prioritizing employee commitment can significantly enhance service quality, customer satisfaction, and ultimately, loyalty. This could involve fostering professional service attitudes, polite interactions, genuine interest in customer concerns, and boosting employee confidence in their service expertise.

Future research can build on these findings by addressing limitations. Expanding the respondent pool beyond young students, potentially including MSME entrepreneurs who are a key target for BRI, would provide more diverse data. Additionally, broadening the research scope beyond BRI and including customers who've directly encountered service issues could offer deeper insights.

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