

Does customer service quality influence customer decision making process to use bank plan savings product? a study at Bank Mandiri Cirebon Siliwangi Branch*

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ABSTRACT

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Purpose — *To determine the effect of customer service quality on customer decision to use bank plan savings of Bank Mandiri Cirebon Siliwangi branch.*

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Research method — *This study used a quantitative approach with a simple linear regression analysis technique. The research data is processed by statistical software. Samples in this study were 91 respondents with probability sampling using a simple random sample technique.*

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Result — *The findings indicated that customer service quality has a significant influence to customer decision in using bank plan savings of Bank Mandiri Cirebon Siliwangi Branch. In addition, this study also discovered that customer service quality has a contribution of 27.8% to the customer's decision to use the bank product, while the remaining 72.7% is influenced by other factors which are not examined by the author.*

Keywords: *bank plan savings, customer decision, customer service quality*

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BACKGROUND

Every company in various types of business will face very tight competition, as well as banking companies (Osei et al., 2021). The existence of various banking companies ranging from private bank companies and state-owned bank companies, has the types of savings and credit products that are on average almost the same in terms of type or method. The increasing intensity of competition requires companies to always pay attention to the needs and desires of customers and try to meet customer expectations by providing more satisfying services than competitors (Adidti et al., 2021).

Service quality is one of the main factors that determine the bank's superiority in facing competition between existing banks (Li et al., 2021). When the customer is comfortable with the services provided by the bank (Hasbi et al., n.d.; Rao & Abegaz, 2017), the customer will be very happy and even loyal to the bank (Gaffar, 2021). This means that customers will not only use one product but will use other products at the bank. On the other hand, if the bank is not able to serve customers well, the possibility that will arise is that the customer will cut off business relations with the bank. For this reason, the quality of service, especially in terms of services, plays an important role in influencing customers to make transactions.

Based on previous research conducted by (Hanafi, 2017) with entitled "Customer Satisfaction Level on the Quality of Islamic Banking Services," it shows that the dimensions of charter quality make a significant contribution to service quality and customer satisfaction with Islamic banks. From the results of the study, it was found that the assessment of the quality of bank services and customer satisfaction with Islamic banks was above moderate. The service quality factors that provide the largest to the smallest customer satisfaction are responsiveness, compliance, empathy, responsibility, reliability and assurance. Providing convenience in financial consulting and interest-free products in accordance with sharia is a priority aspect of forming customer satisfaction in conducting transactions at sharia banks. In the analysis of variance, it can be concluded that customer perceptions of quality at the four banks are considered insignificant. The quality of each bank is considered no difference (Manullang et al., 2020). Similar to the difference test on customer satisfaction at each Islamic bank, it can be concluded that there is no difference in the satisfaction felt by customers at each Islamic bank.

The dimensions of service quality according to (Parasuraman et al., 1988; Ramya et al., 2019) are divided into five dimensions, namely tangible, empathy, reliability, responsiveness, certainty (assurance). Bank Mandiri must adhere to the five pillars of service quality, especially the Cirebon Siliwangi branch to increase customer loyalty to the bank. A healthy bank is one that is capable of carrying out its functions properly, which includes maintaining public trust, performing the intermediation role, assisting in the smooth flow of payment traffic, and assisting the government in enacting various policies, most notably monetary policy. To perform its tasks effectively, a bank must have sufficient

capital, maintain high asset quality, be prudently managed and run, create sufficient profits to ensure business continuity, and retain sufficient liquidity to satisfy its commitments at any time. In addition, banks must always comply with various provisions and regulations that have been set, which are basically in the form of various provisions that refer to prudential principles in the banking sector.

Some examples of bank products are funding and lending. Funding is a deposit product while lending is a credit product (Feather & Meme, 2019). These two products can affect the condition of the bank, the bank is said to be healthy when funding and lending are balanced. If the bank wants to make a profit, then the bank sells credit to customers who need it and offers savings interest to customers who deposit funds to the bank. The bank's money will be circulated in such a way that it generates profit. There are many types of funding products at Bank Mandiri, namely Mandiri Rupiah Savings, Mandiri Business Savings, Independent Foreign Currency Savings, Mandiri Savings Plans, My Savings, Rupiah Deposits, Foreign Currency Deposits, Independent Business Partner Savings, and Current Accounts. Of the many types of savings at Bank Mandiri, the most widely used by customers is the rupiah savings account. Because this type of savings is a savings that can perform all general transactions, either receiving or sending money to and from anyone.

From this it can be concluded that the bank has a very large role. Starting from the role of customer service looking for funding customers in order to collect a lot of funds to be distributed to customers who need credit facilities. The role of customer service here has a significant position and function. Customer service is any activity that is intended or shown to provide satisfaction to customers, through services that can meet customer activities and needs (Hamidi & Safareeyeh, 2019). The need for customer service that works seriously so that it becomes a professional human resource (Michael, 2019). If customer service provides excellent service, masters product knowledge and can provide the right solution for customers, it is likely that customers will use products at Bank Mandiri, especially at the Cirebon Siliwangi branch. On the other hand, if customer service is unresponsive, unfriendly, or fails to provide the appropriate answer, it creates a negative impression with the customer, which, of course, influences the customer's decision not to use the product at Bank Mandiri.

This poor customer service attitude will have a negative impact on the consumer's decision to use Bank Mandiri's savings products. Because the process of becoming a Bank Mandiri customer begins with the creation of an account. The decline in new account openings at Bank Mandiri will have an effect on the collection of funds, which will be funneled into lending to clients, which will have an effect on the profit-seeking process.

LITERATURE REVIEW

The ideal marketing activity occurs when a product or service can be well received in the minds of customers or customers (Phongthanapanich & Ouparamai, 2021). When a product or service is offered to customers, the role of customer service is very necessary to be able to present the contents, uses, and benefits of the product so that customers feel that the product offered is attractive and makes them have to buy the product. For this reason, customer service must have extensive product knowledge as this can create opportunities to open a sale, which means that customers want to buy the products offered (Sangtani & Murshed, 2017). Customer service feels successful when customers decide to buy their products. Based on the thoughts above, a framework can be described as follows:

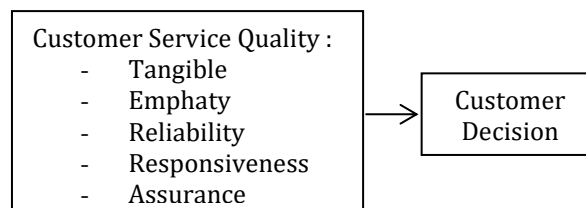


Figure 1. Research framework
source: author (2021)

Customer decisions have become part of the mission and main goal of a company to be able to face increasingly fierce competition (Malik, 2019). Customer decision on a banking service is determined by the level of customer interest compared to the results of customer perception of the service (Özkan et al., 2019). Clients will be satisfied with excellent customer service quality (Alnaser et al., 2017). It is hoped that their buying interest will be higher or equal to the quality provided by customer service (Siregar, 2021).

RESEARCH METHOD

This was a descriptive quantitative study with a population of 2,000 customers who visited Bank Mandiri Cirebon Siliwangi in June 2020. The sample size was taken using the probability sampling method (Suliyanto, 2018). Thus, that the total respondents were 91 customers. The measurement uses a Likert Summated Ratings (LSR) scale with alternative choices of 1 to 5 answers (Hair, Joseph E & Al., 2014). Research instrument in this research was questionnaire.

The research method is basically a scientific way to obtain data with a specific purpose and use. These goals can be obtained by applying research methods that are in accordance with the objectives to be achieved. The research method used by the author in this study is a descriptive and verification research method with a quantitative approach.

Descriptive research method aims to describe characteristics or functions of the variables to be studied by researchers, both independent and dependent

variables (Suliyanto, 2018). Quantitative research methods can be defined as those that are founded on the positivist ideology and are used to analyze specific populations or samples (Neuman, 2014).

RESULT AND DISCUSSION

Validity test

In the validity test at a significance level of 0.05, the t-table value of 0.206 is seen in the r-table. For r-count, data processing was performed using SPSS in the validity test, and the following data were obtained:

Table 1. Customer service quality validity test

Number	r-count	r-table	Annotation
X.1	0,737	0,1735	Valid
X.2	0,855	0,1735	Valid
X.3	0,773	0,1735	Valid
X.4	0,721	0,1735	Valid
X.5	0,797	0,1735	Valid
X.6	0,649	0,1735	Valid
X.7	0,602	0,1735	Valid
X.8	0,693	0,1735	Valid

source: data processed (2021)

As can be seen from the table above, $r\text{-count} > r\text{-table}$ indicates that all items concerning the variable of customer service quality (X) are valid. As a result, the statements on the instrument variable of customer service quality (X) are valid for use in the subsequent data analysis process.

Table 2. Customer decision validity test

Number	r-Count	r-table	Annotation
Y.1	0,660	0,1735	Valid
Y.2	0,721	0,1735	Valid
Y.3	0,648	0,1735	Valid
Y.4	0,696	0,1735	Valid
Y.5	0,655	0,1735	Valid

source: data processed (2021)

If the estimated r value is greater than the r-table value, all assertions for the customer decision variable (Y) are legitimate. As a result, the statement for the customer choice variable instrument (Y) is valid for use in the subsequent data analysis process. As can be observed from the validity test results, all statements are declared valid.

Reliability test

Table 3. Reliability test

Variable	Cronbach's Alpha	N of Items
X	.865	8
Y	.701	5

source: data processed (2021)

According to the table above, the Cronbach Alpha value for variable X appeared to be $0.865 > 0.6$, indicating that all items regarding the customer service quality variable are reliable. As a result, any statements on the quality of customer service can be included in the data analysis process. Regarding variable Y, the Cronbach Alpha value looks to be $0.701 > 0.6$, indicating that all items about the consumer decision variable are reliable. As a result, all statements contained in the customer decision variable may be employed during the data analysis process.

Normality test

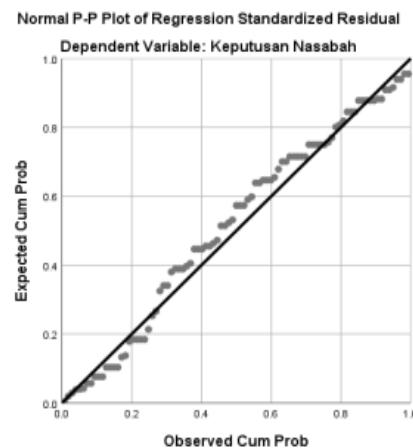


Figure 2. Kolmogorov-Smirnov test
source: data processed (2021)

The normality test was used to determine whether or not the regression model, the dependant variable, or both possessed a normal distribution. A decent regression model has a normally distributed or nearly normally distributed data set. By examining the normal plot graph in Figure 2 above, it is possible to see how the dots spread out and follow the diagonal line. This demonstrates that the regression model used in this investigation is normal.

Heteroscedasticity test

The heteroscedasticity test is used to assess whether or not there is a deviation of the classical heteroscedasticity assumption, namely the presence of variance

inequality in the residuals for all data in the regression model. Prerequisites for the regression model include the presence or absence of heteroscedasticity symptoms. The Glesjer test is utilized in this instance. If the significance value (Sig) between the independent variable and absolute receipt 2 is more than 0.05, there is no evidence of heteroscedasticity concerns.

Table 4. Heteroscedasticity test

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constanta)	.365	1.216		.300	.765
	Customer service	.036	.034	.113	1.072	.287

a. Dependent Variable: ABS_RES

source: data processed (2021)

Simple linear regression test

Simple linear regression analysis is used in situations where an independent variable is hypothesized to affect one dependent variable (Sekaran & Bougi, 2017). This simple linear regression analysis is used to find out how the dependent variable or criteria can be predicted through independent variables or individual predictors. A simple linear regression equation can be seen in an equation as follows:

$$Y = a + b X$$

$$Y = 8.701 + 0.348X$$

According to regression equation model above, the constanta value is 8.701, which means that if the variable studied by customer service is 0, the customer decision is valued 8.701. The regression coefficient for customer service quality (X) is 0.348, which indicates that if the variable of customer service quality grows, customer decisions will increase by 0.348, assuming the other variables remain constant.

Table 5. Coefficient of determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527 ^a	.278	.269	2.043

a. Predictors: (Constanta), customer service quality

source: data processed (2021)

According to Table 5 above, it is clear that the magnitude of R Square (R^2) is 0.278 or 27.8 percent, which means that the variable of customer service quality is responsible for 27.8 percent of consumer decisions in this research. While 72.2 percent of the variance is explained by variables not included in this study.

The coefficient of determination (R^2) is used to quantify the extent to which the model can explain the independent variables. Thus, when the coefficient of determination (R^2) is tiny, it indicates that the independent variable's ability to explain the dependent variable is quite limited. When the independent variable's value (R^2) is close to one, it can explain almost all of the information required by the dependent variable.

Hypothesis Test

This test aims to test how the partial effect of the independent variable on the dependent variable is by comparing t-table and t-count (Hair, Joseph E & Al., 2014). Each t result of this calculation is then compared with the t-table using an error level of 0.05.

Table 6. Hypothesis test

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8,701	2.154		4.040	.000
	Customer service quality	.348	.060	.527	5.847	.000

a. Dependent Variable: Customer Decision

source: data processed (2021)

H0 : Quality of Customer Service partially does not affect the Customer's decision to use a savings plan product at Bank Mandiri Cirebon Siliwangi branch

H1 : Quality of Customer Service partially affects the customer's decision to use a savings plan product at Bank Mandiri Cirebon Siliwangi branch

Testing criteria

If t-count < t-table : H0 is accepted

If t-count > t-table : H0 is rejected

If the significance > 0.05 : H0 is accepted

If the significance < 0.05 : H0 is rejected

The t-count value > t-table ($5.847 > 1.662$) means that H0 is rejected. The significance is < 0.05 ($0.000 < 0.05$) then H0 is rejected. It can be concluded that the quality of customer service partially and significantly influences customer decision to use a savings plan product at Bank Mandiri Cirebon Siliwangi branch.

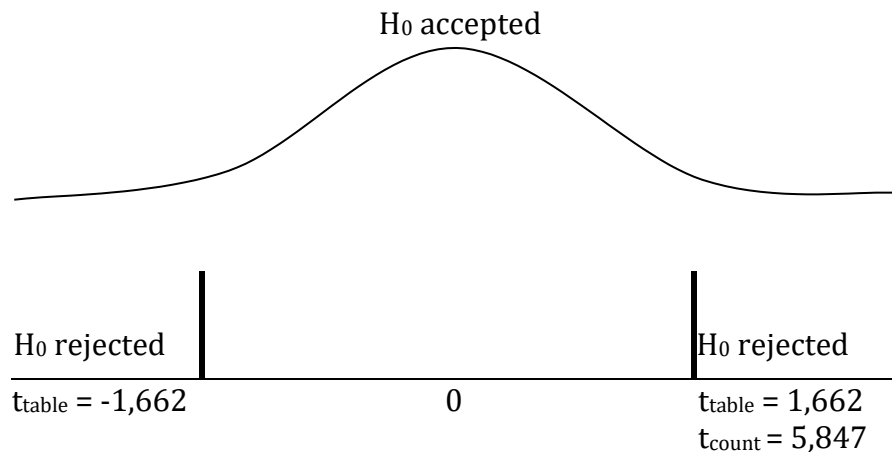


Figure 3. Area to accept or reject hypothesis
source: author (2021)

CONCLUSION

While the quality of customer service at Bank Mandiri's Cirebon Siliwangi Branch has been excellent in terms of giving the proper answers to clients, the quality of customer service at the Siliwangi branch has various weaknesses, most notably a lack of cross selling. In other words, customer service at Bank Mandiri's Cirebon Siliwangi branch has not been consistent in encouraging customers to adopt the bank plan savings product.

The majority of respondents in this study were female customers of Bank Mandiri's Cirebon Siliwangi branch. Additionally, the typical age ranges from 26 to 35 years. Many respondents work as private employees, and based on the length of time they have been customers, it is known that the majority of customers of Bank Mandiri Cirebon Siliwangi branch have been customers for more than 5 years, and it can be seen that the majority of respondents obtain information about Bank Mandiri Cirebon Siliwangi branch from Mandiri Bank employees.

According to the results of the coefficient of determination test, the variable of customer service quality has a positive and significant influence on customer decisions to use bank plan savings product at Bank Mandiri Cirebon Siliwangi Branch. R Square value of 0.278 indicating that the quality of customer service contributes 27.8 percent to the customer's decision to use a savings plan product in this bank.

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