

Influence of Service Quality to the Satisfaction, Commitment and Costumers Saving Relationship intention on the Main Branch of South East Sulawesi Regional Development Bank

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Abstract : *Influence of service quality to the satisfaction, commitment and costumers saving relationship intention on the main branch of South East Sulawesi Regional Development Bank. Service quality delivery to the costumers due to the competition with the other services company is analyzed using descriptive statistical analysis techniques and inferential statistic using Structural Equation Modeling (SEM) package program AMOS 4.0 and SPSS version 11.5. The result shows that service quality has significant influence to the satisfaction, commitment and relationship intention.*

Keywords: *commitment and relationship intention, costumers, satisfaction, service quality, structural equation modeling*

I. INTRODUCTION

Banking business in Indonesia during the era of the 1960s and 1970s is a business that has not been known. Bank is still a foreign business that only knows by certain people. At the time, banks never look out for the costumers, but the costumers who came and search for the bank, and then at the years of 1980s and 1990s world impression to the banking world is reversed, because in this era banks is start to actively looking out for the costumers. Banking business become more complex with the existence of foreign bank that also compete in the same market and enhance the competition between the banks. Foreign bank has advantage of being the well known brand, global network and the products that offer are more innovative. Beside that appearance of non-bank financial institutions that operated much more specific such as insurance company, pawnshop, leasing business and securities firms, has add list of competitors in order to achieve larger market share.

At the years of 1997s to 2000s was the destruction of Indonesian banking were dozens of banks were liquidated and others were merge as the result of continuously loss of government bank and private bank. Costumers trust to the national banks was drastically decrease and caused many customers to withdraw cash at those banks. This incident has show that bank management should be done in a professional manner, in order to gain profit continuously, as the main purpose bank established.

Because of the complexity of the problems in the banking sector so that the challenge to the growth of banking can be said is coaching management, quality of service and knowledge of bank services marketing. Determination of service strategy and bank performance is very important to be considered. If the costumers believe with the performance that offer by the bank, and then the costumer will respond by providing a high profit. Costumer respond also will be realized through transaction or repeated purchases, so that bank earnings will be used as a reference and decreased customer maintenance costs and reduce exposure to competition[1]. From the point of view of the customer, the competition situation will actually give a distinct advantage; with the high level of competition means the bank will provide flexibility to the customer to make a selection, so that the bank should be willing to provide the service that best suits the desires of their customers. These days, costumers demands become more varieties, in which supported by increasing of their education level and easiness of gaining information, so that the more high of their demand and flexibility. The speed, secures and hospitality of the services is being more required by the costumers in deciding the choice of banking services beside of price and interest rate and appropriate service fees, in order the banks will compete each others in the efforts to increase the quality of services to satisfy customers demand.

Currently, rivalry competition among the banks in the Kendari is quite high, with the 21 banks operating for the same market share, then the recruitment and retaining customers is getting tighter. Bank must be smart and take advantage of the opportunity gaps that exist. Various services offered and ease of transaction, always provides excellence service must become their goals and slogans in order to satisfy their customers. Nevertheless, a physical facility is not the only form of service among other forms of service that offers by the bank, because as it explains above that bank services are professional services. Public or prospective customers will first see what their needs and wants before making a purchase. Creation of perfect service can be undermined by a poor sales delivery service. With negative publicity that associated with the service provided

by the main branch of Regional Development Bank of South East Sulawesi, the bank now seeks to improve them self in order to enhance their services, thus increasing satisfaction, commitment to customers and ultimately improve customer relationship to the bank's intention.

II. THEORETICAL BASIS

1.1. Quality of Services

Pasuraman et al[2] summarizes the 10 dimensions of service quality that proposed in 1985 (reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding / knowing the customer, tangibles) to five dimensions. The fifth dimensions of service qualitys are:

1. Tangibles, including physical facilities, equipment, and appearance of personnel.
2. Reliability, including the ability to perform the service or services that are expected to be convincing, accurate and consistent.
3. Responsiveness, including the willingness of service quickly and help subscribers.
4. Assurance, including knowledge, courtesy, and the ability of employees notice the certainty and confidence.
5. Empathy includes individualized attention to customers, ease of relationship, good communication, and understanding the needs of customers.

In this study the dimensions of service quality that will be used was adopted the five dimensions of service quality proposed by Parasuraman, et al[2].

1.2. Satisfaction

The word satisfaction has significance meaning in the marketing concept, and is usually associated with a motto of satisfying the needs and desires of customers. The use of the term satisfaction in the modern era is likely widespread and associated with satisfactory words (suitability) and satisfy (made to be fun). But in terms of customer satisfaction in marketing management itself has a very specific meaning. Customer satisfactions rely on estimates of product performance to deliver value, relative to the expectations of the buyer. The buyer is satisfied if the performance in line with expectations. The buyer is not satisfied if the performance of the product is much lower than expectations of customers[3]. Satisfaction or dissatisfaction of customers is indicated by overall feeling or attitude of a person about a product after the product is consumed. Condition of a customer is followed by a process of evaluation of products purchased and integrated in their every consuming activity. Good marketers continually reviewing several sources of dissatisfaction so that they can improve.

According to Kotler[4], satisfaction is a person's feelings regarding comfort or disappointment as a result of a comparison between the performance (or outcome) products are perceived in relation to expectations. So whether the buyer is satisfied after purchase is depends on the performance offered in conjunction with the least fulfilled the expectations of buyers. Thus, customer satisfaction or dissatisfaction is the difference between expectations and perceived performance, in which the judgments between purchase expectation with the performance that felt after purchased from the product or service concerned[4]. If the performance is not in line with expectations, the customer will not be satisfied. If performance is as expected, then the customer will be satisfied. If performance exceeded expectations, the customer will be very satisfied.

Oliver[5], states that satisfaction is the responses of customer to the fulfillment of needs. This means that assessments is some form of privilege of an item or service itself, provides a level of comfort associated with the fulfillment of needs, including fulfillment of the needs under expectations or exceeded customer expectations. Meanwhile, to make the measurements of customer satisfaction, a lot of researchers have provide an alternative measurement, among them is Albert Caruana and Jamal and Naser using four items measurements of the customer satisfaction, namely,

1. Expectations on the performance of products / services
2. Achievements of the performance of products / services
3. Mismatches on the performance of products / services
4. Satisfaction with the performance of products / services

1.3. Commitment

Barnes[6] defines commitment as a physiological condition of someone whose globally feels depends on a relationship. Morgan and Hunt[7] defines commitment of a relationship as a exchange partner whose believe that ongoing relationship is very important, and to guarantee maximum effort that has been done to maintain it, exchange partner is agreed to each other based on trust to maintain the existing relationship. In the connection to that definition, various parties that involved in the exchange identified commitment between exchange partner is a key to reach valuable output for their own, and their trying to built and preserve priceless attribute in the exchange that they have done[7].

According to Anderson and Weitz[8], commitment is defined as a desire from activity to build a stable relationship with the sincerity to sacrifice in order to maintain that relationship. Willingness to preserve a stable relationship and availability to do sacrifice to achieve long term profit is an urgent factor to be built in a commitment in business relationship. Commitment in business partnership is a manifestation and strong desire from every interested party to maintain and preserve that important relationship[9].

Notice from the importance of the commitment, so the company need to measure their customers commitment to identify how far the customers has commitment to retaining long term relationship with the company side. According to Anderson and Weitz[8] that commitment variable in a business relation can be measured with indicators: willingness to maintain business relation, willingness to preserve business relation, and the faith to the stability of the business relation. While the indicator of measurement of customers' commitment in this research is adopted by indicator that proposed by Anderson and Weitz.

III. METHODOLOGY

Research Hypothesis

1. There is influence of service quality to the customer satisfaction at the main branch of South East Sulawesi Regional Development Bank.
2. There is influence of service quality to the customer's savings commitment at the main branch of South East Sulawesi Regional Development Bank.
3. There is influence of customer's satisfaction to the customer's savings commitment at the main branch of South East Sulawesi Regional Development Bank.
4. There is influence of customer's commitment to the customer's relationship intention at the main branch of South East Sulawesi Regional Development Bank.

Research Design

This research is classified as explanatory research, which generally purposed to explain the position of the variables that being investigated, also relationship and influence between variables. In this case, this research describes causality relationship from influence of service quality to the satisfaction, commitment and relationship intention.

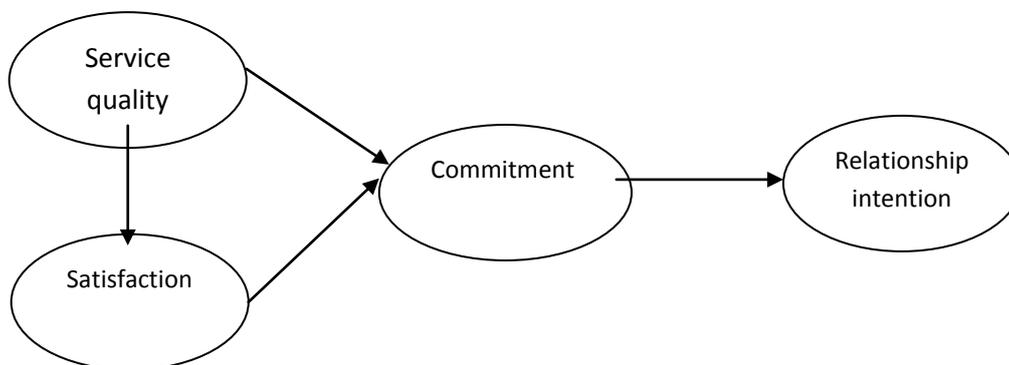


Figure 1. Conceptual research frame

- a. Population and Sample
Populations in this research are the whole individual customer saving at the main branch of South East Sulawesi Regional Development Bank, which amounts are 121 participants.
- b. Method of Collecting Data
Method of collecting data that used in this research is through questioners, interview process and documentation (bank forms, regulation, newspaper, and corresponding article that associated with bank service).
- c. Scale of Data Measurement
Likert scale was used in the measurement of independent and dependent variables, including interval data that being used to measure attitude, opinion, and perception of individual or group. There are five categories of approval degrees, namely, (5) very agree, (4) agree, (3) Neutral, (2) Disagree, (1) very disagree.
- d. Data Analysis Technique
Technique that used was descriptive statistic analysis technique and interferential statistic, while analysis that used to answer hypothesis in this research was Structural Equation Modeling using AMOS package program 16.0 and SPSS program version 18.0

IV. RESULTS AND DISCUSSION

Test Result for Model Fitting

The first testing variable model was categorized as exigent and endogen variables. Exigent variables ia a variables whose value is determined outside the model (service quality), while endogen variables is a variable whose value is determined from relation model that was formed (including trust, commitment, and loyalty). Model is said 'good' if the development of hypothesis model theoretically is supported by the empirical data. In the Structural Equation Modeling (SEM) is justified to do model modification with the purpose to achieve appropriate model with the provision that required based on Goodness of Fit Indices Overall Model criteria. The result for model testing that built at the conceptual framework in this research can be seen at Fig. 2.

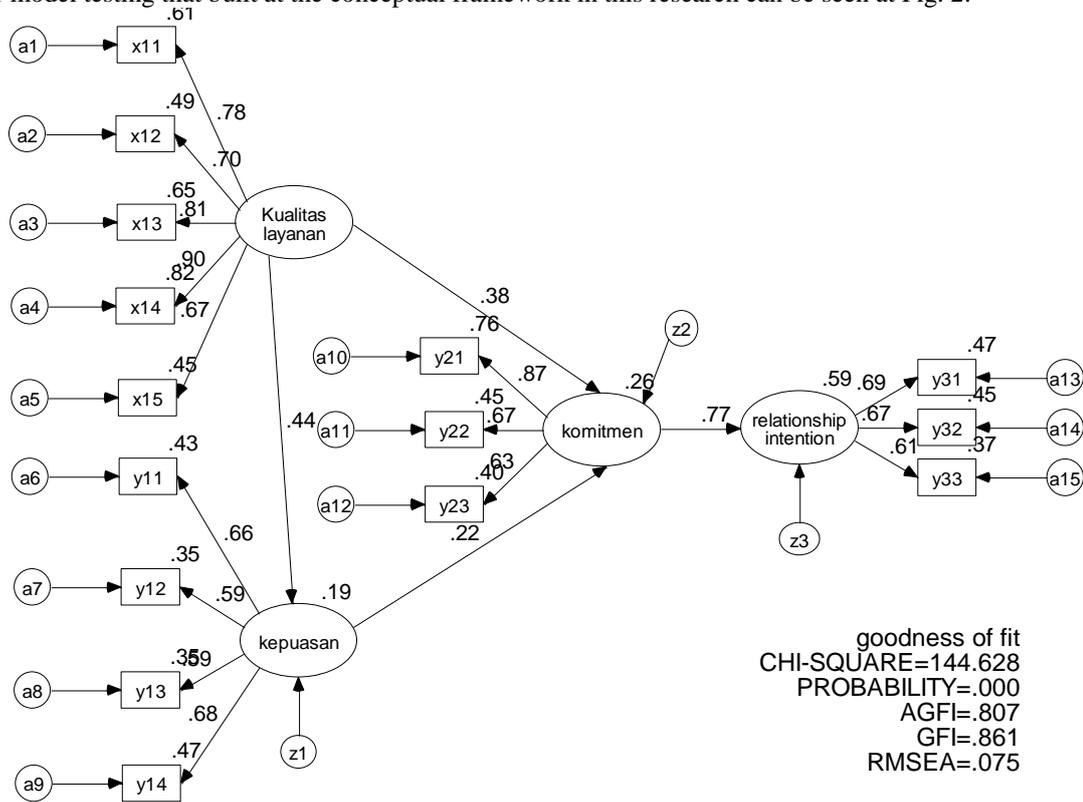


Figure 2. SEM result based on the conceptual framework

Based on the value of chi-square, probability, CFI, TLI, AGFI and RMSEA, the model in the Fig. 2 can satisfy provision that required based on Goodness of Fit Indices Overall Model criteria. For the next step, this model has been considered as the testing model result without need any modification. Result for testing model was evaluated based on Goodness of Fit Indices is presented on the Table. 1, which was served with model criteria and critical value also has data fit.

Table. 1 Result for testing model was evaluated based on Goodness of Fit Indices

Goodness of Fit Index	Cut-of Value	Model Result	Annotation
Chi-square	Expected to be small	144.628	Fine
Probability	≥ 0.05	0.000	Fine
GFI	≥ 0.90	0.861	Marginal
AGFI	≥ 0.90	0.807	Marginal
RMSEA	≤ 0.08	0.075	Fine

From Table. 1, it shows that there was no critical violations on the overall evaluation against model that built from various criteria, so it can be argued that the model relatively acceptable or in accordance with the data, and therefore the next test fitting model could be done. From the path that were tested there was no insignificance indicator which can be seen from the probability value (p) which is above 0.05 (5% level) and t_{count} value was above t_{table} value.

Direct effect analysis between construct from the model can be compared to evaluate relation from each construct to the direct influence that no other is coefficient from all coefficient path with the one end arrow [18]. The testing result is presented in the Table 2.

Table 2. Testing result for direct effect analysis between construct from the model to evaluate relation from each construct to the direct influence

Independent Variable	Dependent Variable	Direct Coeff. Path effect	(P Value)	Annotations
Service quality	Satisfaction	0.437	0.001	Sig
Service quality	Commitment	0.380	0.002	Sig
Satisfaction	Commitment	0.215	0.050	Sig
Commitment	Relationship	0.770	0.000	Sig

Based on the full testing model there were hypothesis path supported and accepted by empirical data, which are:

- H 1 : Service quality has positive and significance influence to the customer's satisfaction at the main branch of South East Sulawesi Regional Development Bank.
- H 2 : Service quality has positive and significance value to the customer's commitment at the main branch of South East Sulawesi Regional Development Bank.
- H 3 : Customer's satisfaction has positive and significance influence to the relationship intention at the main branch of South East Sulawesi Regional Development Bank.
- H 4 : Customer's commitment has positive and significance influence to the relationship intention at the main branch of South East Sulawesi Regional Development Bank.

1. Influence of service quality (X) to the satisfaction (Y₁)

Based on data processing that tabulated on the Table 2, it shows influence of service quality to the trust with the value of path coefficient 0.437 with the probability value of 0.001 which means $p < \alpha = 0.05$ service quality variable has positive and significance influence to the customer's satisfaction variable at the main branch of South East Sulawesi Regional Development Bank with contribution effect of service quality variable to the customer's satisfaction as big as 0.437 has meaning that there is tendency as big as 43.7% the increasing of customer's satisfaction at the main branch of South East Sulawesi Regional Development Bank that caused by service quality variable. This shows that H 1 that stated service quality has giving positive and significance influence to the customer's satisfaction is acceptable.

2. Influence of service quality (X) to the commitment (Y₂)

Influence of service quality to the commitment with the value of path coefficient 0.380 with the probability value of 0.002 which means $p < \alpha = 0.05$, service quality variable has positive and significance influence to the customer's commitment variable at the main branch of South East Sulawesi Regional Development Bank with contribution effect of service quality variable to the customer's satisfaction as big as 0.380 has meaning that there is tendency as big as 38% the increasing of customer's commitment at the main branch of South East Sulawesi Regional Development Bank that caused by service quality variable. This shows that H 2 that stated service quality has giving positive and significant influence to the customer's commitment is acceptable.

3. Influence of satisfaction (Y₁) to the commitment (Y₂)

Influence of customer's satisfaction to the commitment with the value of path coefficient 0.215 with the probability value of 0.05 which means $p < \alpha = 0.05$, satisfaction variable also has positive and significance influence to the customer's commitment variable at the main branch of South East Sulawesi Regional Development Bank with contribution effect of service quality variable to the customer's satisfaction as big as 0.215 has meaning that there is tendency as big as 21.5% the increasing of customer's commitment at the main branch of South East Sulawesi Regional Development Bank that caused by customer's satisfaction variable. This shows that H 3 that stated customer's satisfaction has giving positive and significance influence to the customer's commitment is acceptable.

4. Influence of commitment (Y₂) to the relationship intention (Y₃)

Influence of customer's commitment to the relationship intention with the value of path coefficient 0.770 with the probability value of 0.05 which means $p < \alpha = 0.05$, commitment variable also has positive and significance influence to the customer's relationship intention variable at the main branch of South East Sulawesi Regional Development Bank with contribution effect of service quality variable to the customer's satisfaction as big as 0.770 has meaning that there is tendency as big as 77% the increasing of customer's relationship intention at the main branch of South East Sulawesi Regional Development Bank that caused by customer's commitment variable. This shows that H 4 that stated customer's commitment has giving positive and significance influence to the customer's relationship intention is acceptable.

V. CONCLUSION

Based on analysis and discussion of research result of Influence of service quality to the customer's satisfaction, commitment and relationship intention at the main branch of South East Sulawesi Regional

Development Bank, so some conclusions can be drawn as follow:

1. Service quality has positive and significance influence to the customer's satisfaction, which means that the better the service provided, the bigger customer's satisfaction at the main branch of South East Sulawesi Regional Development Bank. The change on the improvement of the service quality indicator will improve customer's satisfaction.
2. Service quality has a positive and significant influence on customer's commitment means that the better the customer service given the increasingly committed to establish cooperation relationship with the bank. Changes to increase the quality of service indicators will increase customer commitment to the bank also.
3. Customer's satisfaction has positive and significant influence to the customer's commitment, which means that the more satisfied the customer to the service that provided by the bank, so the bigger the customer's commitment to the bank. Changes to increase satisfaction indicator will increase customer's commitment to the bank.
4. Customer's commitment has positive and significance influence to the customer's relationship intention, which means that the more commitment the customer to the bank, the more willingness to maintain that relationship to the bank. Changes to increase customer's commitment indicators will improve relationship of customer to the bank.

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