

DOMINANT FACTORS FOR ENHANCING PRODUCT QUALITY, SERVICE QUALITY, PROMOTION EFFORTS, AND DECISION MAKING TOWARD THE XBCA BANK CUSTOMER'S SATISFACTIONS

Mochammad Jasin*

Universitas Islam Negeri, Jakarta, Syarif Hidayatullah, Indonesia

Shyamala Susan Vincent

APC Mahalaxmi, Thoothukudi, Tamil Nadu, India

Masroni

Politeknik (Malang) Negeri, Indonesia

Bambang Sugiyono Agus Purwono*

Politeknik (Malang) Negeri, Indonesia

*Corresponding authors:

moch.jasin@uinjkt.ac.id, bambang.sugiyono@polinema.ac.id

Summary

This research is aiming towards determining and analysing the presiding elements of the promotion, trait, service quality, and decision making toward customer satisfaction at the XBCA Branch Office of XBCA Equity Tower Jakarta, Indonesia. The data used to analyze are primary and secondary data. The sampling technique used was proportional sampling and collected data of 130 appellants from vivid norms such as education, age, monthly income, and gender. Factor Analysis is the measurable strategy that has been used as a research method here. And the results are a) the four mutables brought down to two factors (named promotion, product effort, and choosing the product). b) The primary factor (named promotion and product effort) held up by two mutables (promotion, quality of the product). c) The secondary one (named as choosing the product) held up by two mutables (service quality, & decision making).

Keywords: Promotion, quality, service quality, decision making, Customer Satisfaction.

I. RESEARCH BACKGROUND

In attempt of striving for economic sustainability and growth, the government established a series of policies in the monetary and banking sector. The policy is intended to increase mobilization of public funds. Competition in the banking world has become the center of attention of various groups, due to the occurring of elements to concern and put efforts helping to the welfare of society improvement.

Seeing this condition, all banking institutions, including XBCA Bank, are competing one another to market their savings products that are able to meet the society needs. XBCA Bank as one of the largest private banks in Indonesia, also markets a savings

product, namely “Tahapan” XBCA, which is served in all XBCA Branch Offices including the XBCA Branch Office Equity Tower Branch Office, Jakarta SCBD Area. XBCA Equity Tower, as one of the XBCA Branch Offices, markets “Tahapan” XBCA savings products to the consumer community, providing accurate information through various promotional media.

In marketing “Tahapan” XBCA savings accounts, XBCA Equity Tower branch offices need management skills to handle multiple and varied environmental factors (including competitors). It is even required to have a strategic instrument which is theoretically called the marketing mix (price, product, promotion, and place) in order to generate value for consumers or customer’s satisfactions [1].

1.1. The Research Objectives:

The research includes two objectives:

1. To decide the influencing elements of the XBCA Bank Customer’s Satisfactions
2. To scrutinize the presiding elements of the XBCA Bank Customer’s Satisfactions

II. LITERATURE STUDY

As per Ali Nasith’s [2] statement: “ The quality of the service is a manifold of dimensional versatiles, those are outlined to discovered the consumer’s assumptions and impression. There are five proportions those spoke for service quality. And what this quality means in simpler way is to understand the breaches between the consumers' actual view point and assumptions of quality.

According to Parasuraman’s [3], [4] statement: “The quality of the service is estimated through breaches among clientele assumption and real impression on organization’s presentation and services assessment they received.”

It is evident from previous findings that several factors influence the service quality experience of bank customers and that customers are increasingly exposed to different competitive environments, suggesting a growing need to further understand service quality of Internet banking [5].

The resulting decision to adopt the innovation is made in stage three, the decision stage, whereby before deciding, individuals may try the innovation out to see its usefulness in their setting. The fourth stage is implementation when the individual has decided to use the innovation Finally, if satisfied, the final stage of confirmation is attained whereby the innovation becomes wholly integrated into the ongoing routine, and the adopter may start promoting the innovation to others. Each of these stages is critical and interacts with the characteristics of a person [6].

A commercial amalgamation is the resources combination among five primary elements [7]:

- a. Being commercial
- b. Going for publicity
- c. Salesmanship
- d. Straight trading

e. Private trading

Philip Kotler stated that: “Marketing mix is the set of marketing tools that the firm uses to pursue its marketing objectives in the target market. The marketing tools classified into four broad groups that is price, product, promotion, and place or known by four Ps. Product include: Quality, Product variety, Design, Feature, Packaging, Brand name, Returns , Sizes, Warranties, and Services [1].”

Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs [1].

Decision making is a process of selecting among available alternatives. Philip Kotler stated that: “Five stage model of the consumer buying process are: Problem recognition, Information search, Evaluation of Alternatives, Purchase Decision, and Post purchase behavior.” There two forms of choice set are attitudes of others, and unanticipated situation factors. After purchasing the product, the consumer will experience some level of satisfaction or dissatisfaction [1]

According to Philip Kotler’s statement: “Customer contentment is a function of the difference between distinguished performance and presumption”, [2,9]. According to Biljana Angelova and Jusuf Zekiri [8]: “Contentment of the customer lies in (ACSI) three antecedents: customer expectations, perceived quality, and perceived value.”

III. RESEARCH STRATEGY

The Likert Scale and the mathematical model are going for the strategical research.

3.1. Likert Scale Research

As per Mr. Ankur Joshi [9] statement: “Likert Scale is the most elementary and frequently used psychometric estimation of the respondents’ effect on educational and social sciences research.”

The Likert is a five or seven point scale for the estimation of the individual’s impression. The Likert scale category accept the normative attitude for the strength/intensity goes , like : Disagree Strongly, Disagree, Neutral, Agree, and Agree Strongly, and makes the impression to measure each person’s view point [10]. The Quantitative approach of strategical anaysis– Factor survey [11] using apellant of the client’s of the XBCA Bank from vivid norms such as gender, education, age, and monthly income.



Figure 1. The relationship between dependent variable and independent variables

3.2. Survey Factor

This survey is one among the figurative devices that is decreases and to make easier the complicated or fact-finding variables switch to new features that carried by a set of distinguished changeables, and came up with the data based on tree structures [11].

3.2.1. Mathematical Model

Mathematical model of Element Research [11]:

$$\Lambda \mathbf{f} + \mathbf{e} = \mathbf{X} \quad (1)$$

Here:

\mathbf{X} is m - research changeables, that belongs to $\mathbf{X}' = (x_1, x_2, \dots, x_m)$

\mathbf{f} is n - common elements, that belongs to $\mathbf{f}' = (f_1, f_2, \dots, f_n)$

\mathbf{e} is p - unique elements, that belongs to $\mathbf{e}' = (e_1, e_2, \dots, e_p)$.

Λ is $m \times n$ is the correlation of unspecified elements called loading factors.

3.2.2. Dendrogram

A dendrogram is a diagram representing a tree. This diagrammatic representation is frequently used in different contexts: in hierarchical clustering, it illustrates the arrangement of the clusters produced by the corresponding analyses (Figure 2) [11].

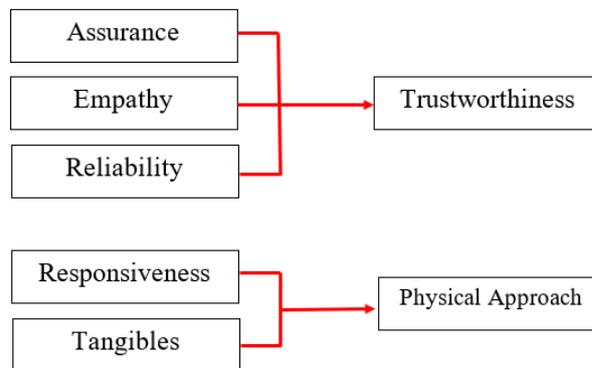


Figure 2. This is Tree structured data (five variables reduced to two factors) [2,11]

Figure 3 displays the Venn diagram of the mathematical model.

3.3. Research Instrument

In order to have high quality data collected, to test the accuracy of the hypotheses that were formulated, the questionnaire had to be tested for quality and reliability. A questionnaire is said to be valid if the statement on the questionnaire is able to reveal something that will be measured by the questionnaire. Meanwhile, the questionnaire is declared reliable if the respondent's answer to the statement is consistent or stable over time.

The variables used in this study are Customer Satisfaction as the dependent variable (y), Promotion (x_1), Product Quality (x_2), Banking Service Quality (x_3), and Saving Decision Making (x_4) as an independent variables.

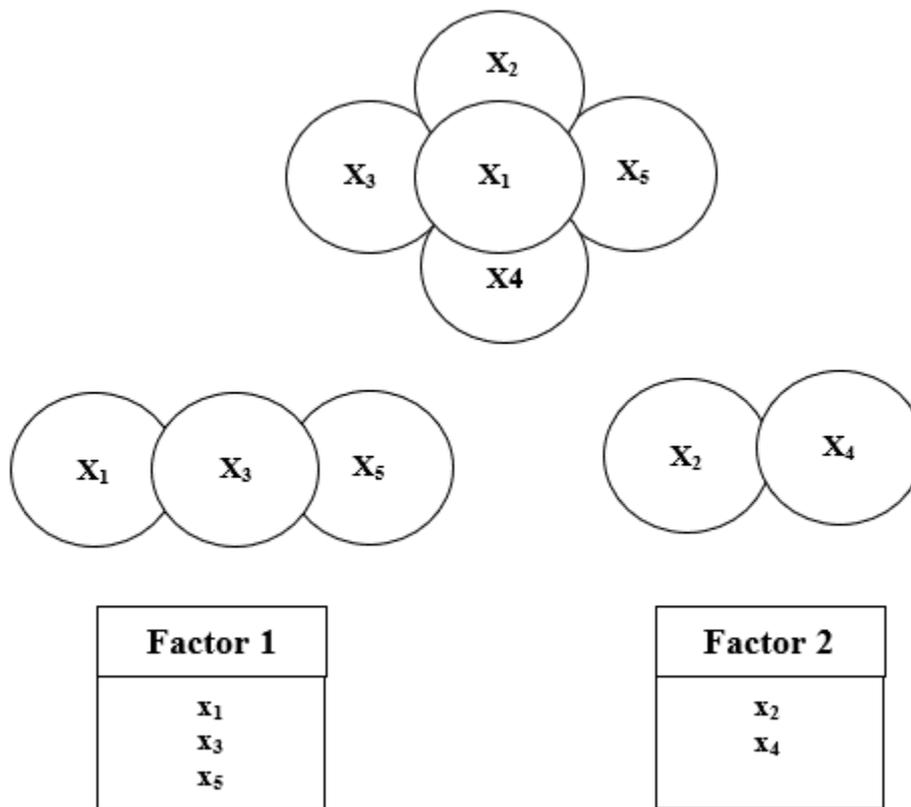
3.4. Type & Data Collection

In research the used date sources are: simulated data, primary data, and secondary data and the respondents directly obtained the data in the form of distributing questionnaires, using fixed alternative questions.

Data used in this study are obtained from several sources, namely:

1. "Tahapan" XBCA Bank savers.
2. The bank management.

The primary, and secondary data used is the number of "Tahapan" savers at the XBCA Equity Tower branch collected before pandemic COVID-19.



Here in Figure 3. Five changeables are switch to Three factors and Two factor solution [2,11]

3.5. Population and Sample

3.5.1. Population

Supriyadi [12] stated that: “Population is a generalization area in the form of a subject or object under a research to be studied and conclude. The population in this study were the savings customers of “Tahapan” XBCA at the XBCA Equity Tower branch office, SCBD, Sudirman with a total of 11,822 customers.”

3.5.2. Sample

The utilized specimen approach in this research was a proportional specimen practice, in which the respondents were selected deliberately with certain characteristics that are believed to be representative of the study population. The sample criteria used are customers who have been a “Tahapan” XBCA savings holder for two years or more at the XBCA Equity Tower so that they are able to answer the questionnaire objectively.

In this study, the method used is the Factor Analysis involving 130 respondents as research subjects.

3.6. The Conceptual Architecture

Figure 4 shows the fact-finding architecture based on research variables, include: Customer Satisfaction and dependent variable, Promotion, Product Quality, Banking Service Quality, and Saving Decision Making as an independent variables.



Figure 4. The Conceptual research framework

IV. RESULTS AND DISCUSSION

Table 1 displays the mean value of the research variables outputs. The value here counted the Promotion (PROMO), Product Quality (QUALITY), Banking Service Quality (SERVQUAL), and Saving Decision Making (DM) as an independent variables and Customer Satisfaction as dependent variable (CSAT) perception score respectively is 2.9538, 3.0462, 2.8231, 3.1308, and 3.0462 it means approach to neutral.

Table 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
PROMO	130	1.00	5.00	2.9538	1.25050
QUALITY	130	1.00	5.00	3.0462	1.43522

SERVQUAL	130	1.00	5.00	2.8231	1.42222
DM	130	1.00	5.00	3.1308	1.44345
CSAT	130	1.00	5.00	3.0462	1.35178
Valid N (listwise)	130				

Table 2 shows a) Four (independent) variables lessen to two elements. 2). Progressive proportion of elementary eigenvalues is 59,893% (> 50%). What it mean is, collected data information is more than half (the representation > 50%).

Table 2. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.292	32.291	32.291	1.292	32.291	32.291	1.240	30.993	30.993
2	1.104	27.602	59.893	1.104	27.602	59.893	1.156	28.899	59.893
3	.858	21.450	81.342						
4	.746	18.658	100.000						

Extraction Method: Principal Component Analysis.

Table 3 shows the four (independent) variables lessened to two elements. The first one is assisted by two changeables, it is Promotion (element loading = 0.742), and Banking Service Quality (loading element = - 0.777), and the second component helped by two variables, it was Product Quality (loading element = -0.759), and Saving Decision Making (loading element = 0.702).

The mathematical representation are:

$$\text{PROMO} = x_1 = 0.742 f_1 + 0.241 f_2 + e_1 \quad (2)$$

$$\text{QUALITY} = x_2 = 0.171 f_1 - 0.759 f_2 + e_2 \quad (3)$$

$$\text{SERVQUAL} = x_3 = - 0.777 f_1 + 0.170 f_2 + e_3 \quad (4)$$

$$\text{DM} = x_4 = 0.238 f_1 + 0.702 f_2 + e_4 \quad (5)$$

Table 3. Rotated Component Matrix^a

	Component	
	1	2
PROMO	.742	.241
QUALITY	.171	-.759

SERVQUAL	-.777	.170
DM	.238	.702

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.^a

a. Rotation converged in 3 iterations.

Figure 5 shows four variables decreased to two factors or dendrogram [11], like:

1. Four variables (Promotion, Banking Service Quality, Product Quality, and Saving Decision Making) reduced to two factors (called promotion and product effort, and choosing the product).
2. 1st factor (called Promotion and Product Effort) supported by two variables (Promotion, and Banking Service Quality).
3. 2nd Factor (called Choosing the Product) aided by two variables (Product Quality, and Saving Decision Making).

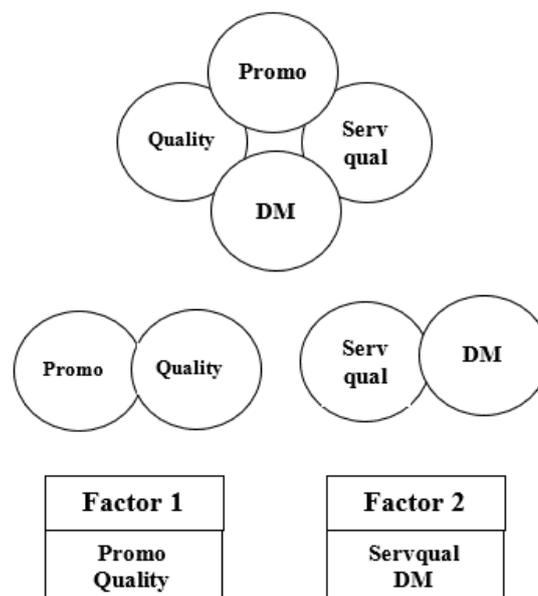
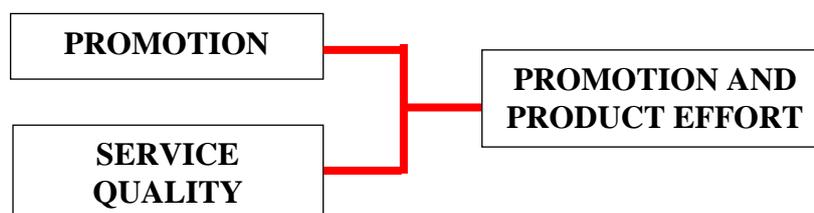


Figure 5. Four variables are decreased to two factors (Two element solution) [11]



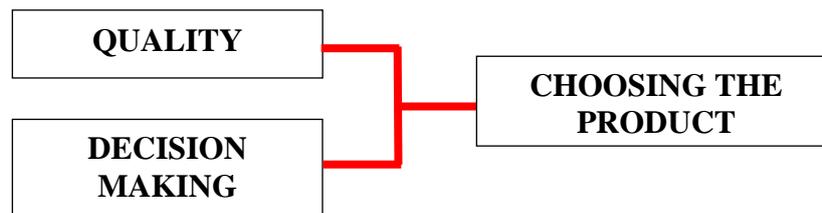


Figure 6. Dendrogram [11]

V. CLOSURE

The closure points are:

1. The worth of standard is Promotion, Quality of the Product, Banking Service Quality, and Saving Decision Making perception score respectively is approach to neutral.
2. Four variables (Promotion, Banking Service Quality, Product Quality, and Saving Decision Making) reduced to two factors (called promotion and product effort, and choosing the product).
3. Factor 1 (called Promotion and Product Effort) supported by two variables (Promotion, and Banking Service Quality).
4. Factor 2 (called Choosing the Product) supported by two variables (Product Quality, and Saving Decision Making).

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