
THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT AND SERVICE QUALITY ON TRUST AND ITS IMPACT ON CUSTOMER SATISFACTION IN ACEH SYARIAH BANK

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ABSTRACT

The aims of the study is to determine the relationship between Customer Relationship Management (CRM) and Service Quality on Trust and its impact on Customer satisfaction at PT. Bank Aceh Syariah. This research was conducted at PT. Bank Aceh Syariah Branch of Jantho. The object of this research were Customer Relationship Management, Service Quality, Trust and Customer satisfaction. The subjects of this study were customers of PT. Bank Aceh Syariah Branch Jantho. The population in this study were customers of the Bank which is 28-65 years old. Sampling method used is stratified random sampling. In this study the total indicators used were 42, then a sample of 210 samples was used. The outcome of research indicated that from the five hypotheses the direct influence developed in this study there was one hypothesis that did not have a significant effect, namely the influence of CRM on Customer Satisfaction. Estimated parameters for testing the effect of CRM on Customer Satisfaction show a smaller CR and P value than required. Thus it can be concluded that CRM that is run by PT. Bank Aceh Syariah Branch of Jantho does not give an influence on increasing customer satisfaction of PT. Bank Aceh Syariah Branch of Jantho.

Keywords: Customer Relationship Management, Service Quality, Trust, Customer satisfaction, PT. Bank Aceh, Syariah Branch Jantho

INTRODUCTION

Research Background

Banking business is a service business that is based on the principle of trust, so the problem of service quality is a very decisive factor in business success. Service quality is a form of consumer assessment of the perceived service level with the expected service level. PT. The

Aceh Syariah Bank, which has converted the conventional banking system into a sharia banking system, raises a variety of opinions from both experts and stakeholders and customers of Bank Aceh itself. According to President Director of Karim Consulting Indonesia Adiwarmar Karim, also a member of the National Sharia Board of MUI and the sharia banking supervisory board said that the conversion of Bank Aceh to sharia caused double impact. The impact of changes in the status of Bank Aceh automatically increased the assets of Islamic banks in Indonesia by Rp 20 trillion. On the other hand reducing the assets of conventional banks worth Rp 20 trillion. One strategy carried out by banks in improving service quality for consumers is by implementing customer relationship management, through commitment to service, communication with customers and handling consumer complaints as a focus in building good relationships with consumers (Ndubisi, 2007). In order to make customers trust the services provided, customers must feel service quality is a positive thing.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988) states that service quality is the fulfillment of customer needs and desires and the accuracy of delivery to offset customer expectations. Thus, there are two main factors that affect the quality of services, namely the expected service and perceived service. Service quality and Customer Relationship Management have a close relationship in determining customer satisfaction.

The purpose of this study is to test and analyze: how is CRM, Service Quality, Customer Trust and Customer Satisfaction, effect of CRM on customer trust, effect of service quality on customer trust, the effect of customer trust affects customer satisfaction, effect of Customer Relationship Marketing on Customer Satisfaction, effect of Service Quality on Customer Satisfaction, the influence of customer trust can mediate CRM on customer satisfaction, the effect of customer trust can mediate Service Quality on customer satisfaction at PT. Bank Aceh Syariah Branch of Jantho.

LITERATURE REVIEW

Customer Statifaction

Customer satisfaction is the customer's assessment of a product or service that has given the level of enjoyment expected. Every business activity in terms of sales is related to customer satisfaction. With customer satisfaction, business continuity will be maintained (Sagan, A. D., Tabrani, M., & Darsono, N, 2012). The definition of customer satisfaction according to Zeithaml, Bitner and Dwayne (2009, p.104) is, "Customer's evaluation of a product or service in terms of whether product or service has met customer needs and expectations." Where according to him customer satisfaction is the customer's assessment of the product or service in terms of assessing whether the product or service has met the needs and expectations of the customer.

Trust

Building customer or consumer trust is not an easy job. This is not a job that can be done instantly, but a continuous process is needed. Continuous verification is needed from the customer and it is necessary to prove the quality of the product or service and excellent service from the seller or company to prove that the product, service and company can be trusted (Ambartiasari, G., Lubis, A. R., & Chan, S. 2017). Trust is the foundation of business. A business transaction between two or more parties will occur if each trusts one another. These trusts cannot be recognized by other parties / business partners, but must be built from the beginning and can be proven. Trusts have been considered as catalysts in various transactions between sellers and buyers so that customer satisfaction can be realized as expected (Yousafzai et al., 2003).

Customer Relationship Management (CRM)

Customer Relationship Management abbreviated as CRM is a business strategy to optimize company profitability by maintaining and increasing the number of customers. The main focus of this strategy is on developing customer satisfaction, including by understanding customers, retaining customers through customer experience, attracting new customers, winning contracts, increasing profits, reducing customer management costs (Chan 2003; Suryadi, A., & Chan, S. 2015), explains that CRM is the introduction of each customer more closely by creating two-way communication. Such communication needs to be managed in the form of mutually beneficial relationships between customers and companies.

Service Quality

The success of the company in providing quality services can be determined by the service quality approach that has been developed by Parasuraman, Berry and Zeithaml (in Lupiyoadi (2006: 181). The definition of own quality according to Kotler and Keller (2009, p.169) is "Quality is the total features and characteristics of a product or service that is on its ability to satisfy stated or implied needs". From the explanation above it can be concluded that quality is the whole of the features and characteristics of a product or service that has the ability to satisfy needs. According to Tjiptono in Agnes Laurencia Setiawan (2014) states that service quality is the fulfillment of customer needs and desires and the accuracy of delivery to offset customer expectations. Thus, there are two main factors that affect the quality of services, namely the expected service and perceived service.

Research paradigm

For this research the paradigm used is as follows:

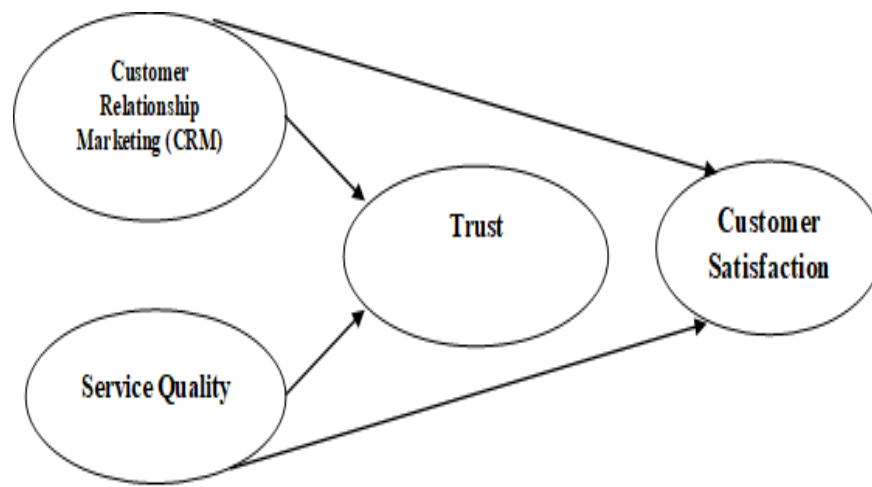


Figure 1: Research Paradigma

Hypothesis

Based on the framework described earlier, the hypothesis proposed in this study are:

- H1: Customer Relationship Management influences Customer Trust.
- H2: Service Quality influences Customer Trust.
- H3: Customer Trust affects Customer Statifaction.
- H4: Customer Relationship Management affects (Customer Satisfaction).
- H5: Service Quality influences Customer Satisfaction
- H6: Trust (Customer Trust) mediates the Effect of CRM on Customer Satisfaction
- H7: Trust (Customer Trust) mediates the effect of Service Quality on Customer Satisfaction

RESEARCH METHODS

Location and Object Research

This research was conducted at the Aceh Syariah Bank Jantho Branch. As objects of this research are Customer Relationship Marketing (CRM) and Service Quality, Trust and Customer Satisfaction. The subjects of this study are customers in the PT. Bank Aceh Syariah Branch of Jantho.

Sampling

The population in this study was a sample of 210 customers aged 28-65 years. For samples used as respondents, it is expected to represent the population using stratified random sampling

technique. Because the number of indicators is 42, a sample of 210 samples is used.

Data Analysis Method

Data analysis technique used in this research is The Structural Equation Modeling (SEM) of statistical software package AMOS 22.0 for hypothesis testing. The SEM equation model is a set of statistical techniques that allows the testing of a series of "complex" relationships simultaneously. Testing this hypothesis is to analyze the value of Critical Ratio (CR) and Probability (P) value of the data if compared to the required statistical limitation, that is above 1,96 for CR value and below 0,05 for P value (probability). If the results of the data show the value that meet the requirements, then the proposed research hypothesis can be accepted.

RESULTS AND DISCUSSION

Test Measurement Model

The following figure shows the relationship of indicators and unobserved variables (latent variables) in the Measurement Model.

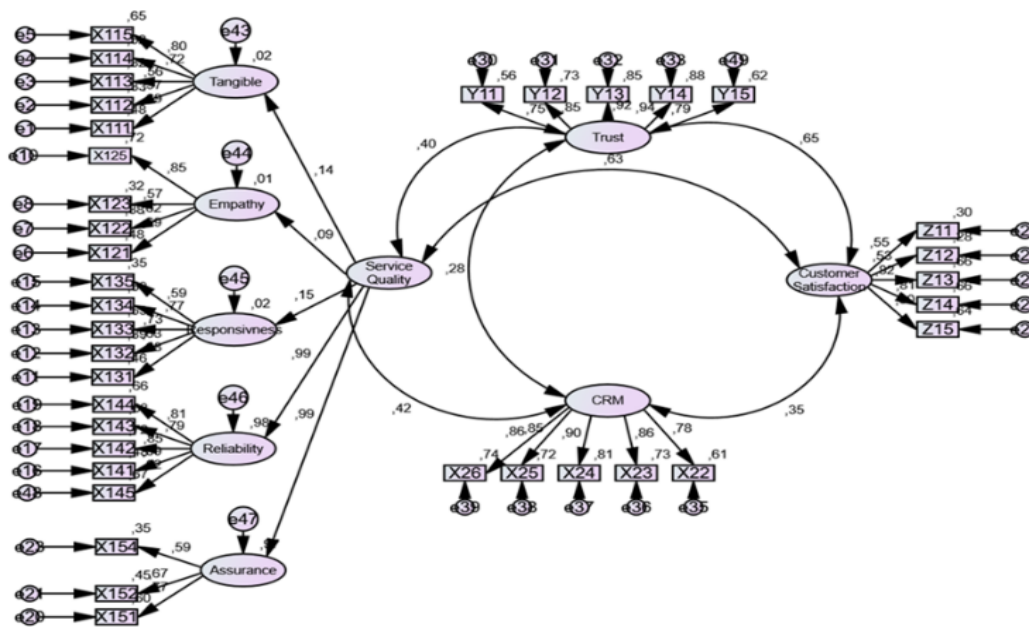


Figure 2: Measurement Model with Loading Factor

The results of the measurement test showed that some indicators of the research variables have a value of factor loading below 0.5. The following table shows net measurement results that can be

included in structural testing..

Table 1: Loading Factor Measurement Model

Indicator			Estimate
Tangible	<---	Service_Quality	,142
Empathy	<---	Service_Quality	,090
Responsivness	<---	Service_Quality	,148
Reliability	<---	Service_Quality	,988
Assurance	<---	Service_Quality	,987
X111	<---	Tangible	,690
X112	<---	Tangible	,575
X113	<---	Tangible	,563
X114	<---	Tangible	,722
X115	<---	Tangible	,804
X121	<---	Empathy	,694
X122	<---	Empathy	,616
X123	<---	Empathy	,566
X125	<---	Empathy	,849
X131	<---	Responsivness	,680
X132	<---	Responsivness	,628
X133	<---	Responsivness	,727
X134	<---	Responsivness	,766
X135	<---	Responsivness	,593
X141	<---	Reliability	,692
X142	<---	Reliability	,851
X143	<---	Reliability	,791
X144	<---	Reliability	,813
X151	<---	Assurance	,774
X152	<---	Assurance	,672
X154	<---	Assurance	,590
Z11	<---	Customer_Satisfaction	,547
Z12	<---	Customer_Satisfaction	,526
Z13	<---	Customer_Satisfaction	,815
Z14	<---	Customer_Satisfaction	,812
Z15	<---	Customer_Satisfaction	,799
Y11	<---	Trust	,751
Y12	<---	Trust	,855
Y13	<---	Trust	,920

Indicator			Estimate
Y14	<---	Trust	,936
X22	<---	CRM	,780
X23	<---	CRM	,857
X24	<---	CRM	,898
X25	<---	CRM	,849
X26	<---	CRM	,858
X145	<---	Reliability	,819
Y15	<---	Trust	,788

From table 1 above shows that all the indicators included in the model have been eligible to be included in the next data processing. The result of the model test is shown in table 2 below;

Table 2: Criteria Goodness of Fit Measurement Models

Criteria index	Cut-off Value	Result of analysis	Model Evaluation
Chi Square	Expected to be small	1,895	Good
CMIN/DF	<3.0	2,236	Good
RMSEA	<0.08	0,078	Good
BCC	Default Model < Independence	1,591 < 5,860	Good
AIC	Default Model < Independence	1,550 < 5,843	Good
ECVI	Default Model between Saturated & Independence	6,892 < 7 .603 < 28.68 7	Good

Structural Equation Modeling Analysis

Analysis of data processing result at full stage of SEM model is done by doing conformity test and statistical test. Results of data processing for the analysis of full SEM model shown in Figure 3.

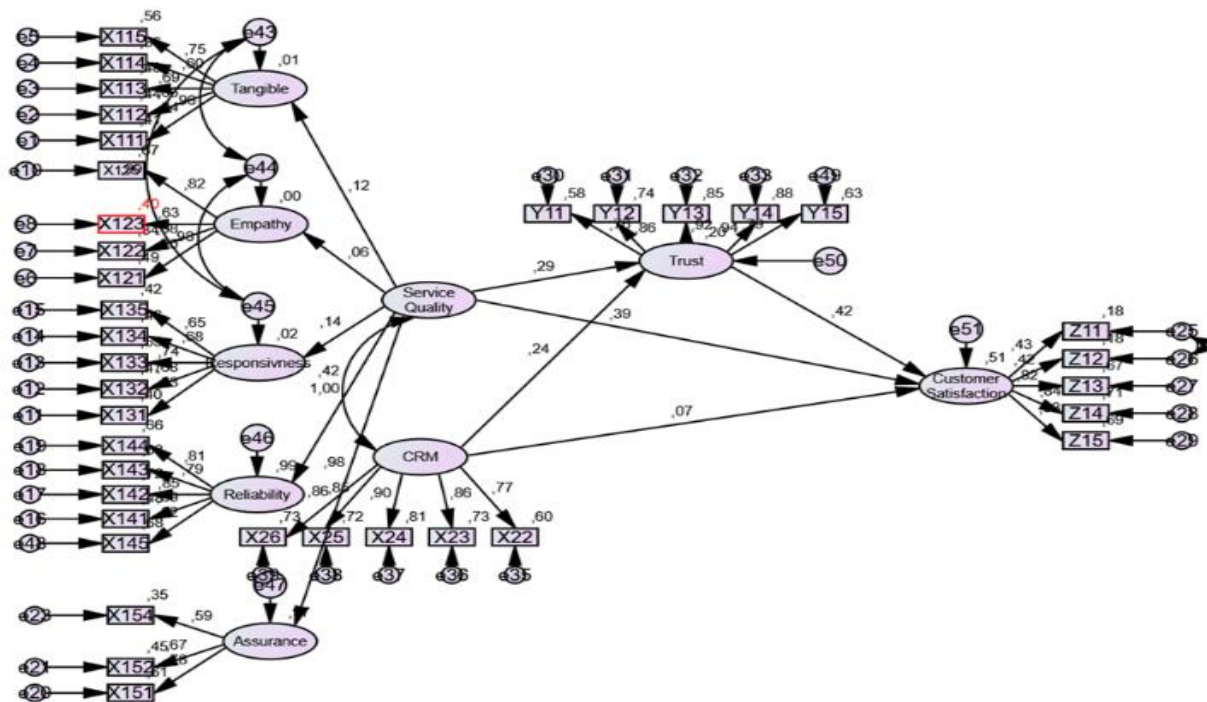


Figure 3: Structural Equation Model

Hypothesis testing

Based on Figure 3, we can explain the influence of each variable, namely compensation, organizational culture, motivation, job satisfaction and employee performance. Furthermore, the test results of each hypothesis above will be presented briefly in Table 3 about the conclusion of the direct hypothesis below.

Table 3: Result of hypothesis

	Estimate	S.E.	C.R.	P
Service Quality on Trust	0,245	0,064	3,803	***
CRM terhadap Trust	0,182	0,035	5,184	***
CRM on Customer Satisfaction	0,027	0,028	0,950	,342
Service_Quality on Customer	0,182	0,035	5,184	***

	Estimate	S.E.	C.R.	P
Satisfaction				
Trust on Customer Satisfaction	0,227	0,051	4,480	***

From the results of structural testing, there are hypotheses that are accepted and some are rejected. Hypothesis 3 which tests the effect of CRM on customer satisfaction is rejected because it does not meet the accepted requirements. Whereas the other 4 direct hypotheses, namely H2-H5 are accepted. This means that there is a significant influence between the independent and dependent variables on each of these hypotheses.

In other words, the variable has the effect of increasing the dependent variable as long as the independent and intervening variables can be increased by the management of PT. Bank Aceh Syariah Branch Jantho.

Direct and Indirect Effects

The other type of hypothesis testing is an indirect hypothesis

Table 4: Direct and indirect effect

No	Indirect	Mediation result	Effect of significancy	Remarks
1	CRM to Customer Satisfaction on Trust	0,101	Direct not significant and Indirect significant	Customer Trust as a Full Mediating effect
2	Service Quality to Customer Satisfaction on Trust	0,120	Direct and Indirect significant	Trust as a partial mediation effect

Because the direct relationship between Service Quality and Customer Significant Satisfaction (See Structural Test Tables), and indirect relations through Customer Trust are also significant because they have a probability value below 0.05, the Customer Trust variable role in this case is Partial Mediating.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

From the five hypotheses the direct influence developed in this study there is one hypothesis that does not have a significant influence, namely the influence of CRM on Customer Satisfaction. Estimated parameters for testing the effect of CRM on Customer Satisfaction show a smaller CR and P value than required. . Thus it can be concluded that CRM implemented by Bank Aceh does not have an effect on increasing customer satisfaction at PT. Bank Aceh Syariah Branch of Jantho. One of the reasons for alleged Service Quality that is considered to meet their preferences is better than CRM.

- Testing the influence of Service Quality on Trust shows a greater CR value and a smaller probability than required. Thus it can be concluded that Service Quality is run at PT. Bank Aceh Syariah Branch of Jantho has an influence on increasing Customer Trust at this institution. This indicates that the better services provided to customers will further enhance customer confidence in Bank Aceh.
- Testing the influence of CRM on Trust shows a greater CR value and a smaller probability than required. Thus it can be concluded that CRM is run at PT. Bank Aceh Syariah Branch Jantho has an influence on increasing Customer Trust at this institution. This indicates that the better implementation of CRM is carried out will further increase customer confidence
- Testing the influence of Customer Trust on Customer Satisfaction shows a greater CR value and a smaller probability than required. Thus it can be concluded that the higher the customer trust that can be developed by PT. Bank Aceh Syariah Branch Jantho will further increase the satisfaction gained by the customers
- The mediation function carried out by the customer trust variable in mediating the effect of Service Quality on Customer Satisfaction is Partial Mediating, because both the direct and indirect effects of these two variables are significant. In other words, without Customer Trust, Service Quality still contributes significantly to the increase in Customer satisfaction.
- The function of mediation carried out by customer trust variables in mediating the influence of CRM on Customer Satisfaction is Full Mediating, because direct influence is not significant, but if through mediation variables it becomes significant. In other words, without Customer Trust, CRM is not able to contribute significantly to the increase in Customer satisfaction.

Recommendations

- In structural testing that sees the relationship between variables, of all variables that affect the independent variable, the biggest coefficient is the Customer Trust variable with a coefficient of 0.420. This means that the Customer Trust variable is a very dominant variable to be prioritized in terms of deciding which one to do first and which can be postponed temporarily in order to manage a limited resource.
- Because the trust customer functions as a fully mediating variable, the emphasis made by the management PT. Bank Aceh Syariah should be focused on improving the quality of service to customers, without having to go through Customer Trust.
- But if the CRM to be improved to improve customer satisfaction, the implementation must include customer trust, because its function is fully mediating.
- Because the mediation function carried out by customer trust variables in mediating the influence of Service Quality on Customer Satisfaction is Partial Mediating, then to improve Customer satisfaction, Service Quality needs to be improved without having to go through Customer Trust
- Because the mediation function carried out by customer trust variables in mediating the influence of CRM on Customer Satisfaction is Full Mediating, then to improve customer satisfaction, the increase in new CRM will have an impact if done through increasing customer trust.
- Increased Service Quality, CRM, and Customer Trust variables can be done by increasing the average value of indicators, especially those with the lowest score of p [there are each of these variables.

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