Efforts To Improve Service Quality At Bank Nagari Batusangkar Sharia Branch In Maintaining Customer Loyalty

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ABSTRACT

Background. Financial institutions need to pay attention to the quality of their services, as well as Nagari Islamic Bank Batusangkar Branch which pays attention to and strives for the quality of its services in maintaining customer loyalty. In this case, Nagari Islamic Bank Batusangkar Branch uses strategies such as physical evidence (tangible), responsiveness, reliability, assurance, and attention (empathy).

Purpose. This study aims to determine efforts to improve service quality at Nagari Islamic Bank Batusangkar Branch in maintaining customer loyalty

Method. Data were analysed using data reduction, data presentation, and conclusion/verification, as well as data validity assurance techniques, namely source triangulation. The data collection techniques used are interviews and documentation.

Results. The findings of the research conducted can be seen that Nagari Islamic Bank Batusangkar Branch shows efforts in maintaining customer loyalty by using 5 dimensions of service quality. First, physical evidence provided in the form of brochures, room cleanliness, which in every corner is provided with air conditioning that makes customers comfortable. Second, the responsiveness provided by always being responsive by asking directly what obstacles or problems faced by customers. Third, the reliability that is owned, namely employees who are reliable in accordance with their fields. Fourth, the guarantee provided is security in maintaining customer secrets or identities. And fifth, the attention given is to provide open and transparent communication to customers and meet customer needs.

Conclusion. This study has significant implications for assessing the quality of service provided by Nagari Islamic Bank Batusangkar Branch to its customers.

KEYWORDS Efforts, Service Quality, and Customer Loyalty

INTRODUCTION

Nowadays, Islamic banking in Indonesia has developed very rapidly, this is evidenced by the emergence of Islamic banks in every region, besides that many conventional banks have also converted themselves into Islamic banks.

Competition in the banking industry in Indonesia is now becoming increasingly fierce. (Mawardi, 2018) Companies are required to take strategic steps to be able to compete in any condition. In addition to demands for the ability to compete, companies are also required to have advantages that are characteristic of these banks. (Hasbiyah, 2020)
The service here according to Kotler is any action or activity that can be offered by a party to another party, which is basically intangible and does not result in any ownership, where service is the behaviour of producers in order to meet the needs and desires of consumers in order to create satisfaction with the consumers themselves (Sumantri, 2014). According to Zeithaml et al, service quality can affect customer loyalty directly and indirectly. Service quality encourages customers to be loyal to the products and services of a company so that it has an impact on increasing the market share of a product. For service companies including banking, it is necessary to pay attention to service quality and improve it in order to retain customers for a long time. In addition, the quality of service is a determinant of banking performance. (Suken, 2016)

According to Beerli et al, customer loyalty has a positive correlation with the business performance of a company. Customer loyalty not only increases value in business, but can also attract new customers. (Suken, 2016) Customer loyalty will arise if the services provided by banks make customers comfortable when transacting and feel safe to deposit their funds in the bank concerned. The services provided by banks must of course be assessed. Where the assessment is carried out by measuring service quality. According to Zeithaml, Parassuraman & Berry (Hardiansyah, 2011) service quality can be assessed based on five dimensions which include physical evidence (tangibles), reliability, responsiveness, assurance, and empathy. This assessment can see customer loyalty to banking. (Parasuraman, 2021)

To increase public interest in banking with sharia principles, Bank Syariah Nagari Batusangkar Branch was established on 26 December 2013 which is located at Jalan Prof. Dr. Hamka No. 1 Batusangkar. Based on the author's findings in the field, it turns out that there are still customers who complain about the services provided, where the customer service is only one person while there are quite a lot of customers to be served. This article presents information about the efforts made by Bank Nagari Syariah Batusangkar in an effort to improve service quality in order to maintain customer loyalty along with strategies that can be done to achieve improved service quality. Hopefully this article can provide benefits for readers, especially for those who are directly involved in efforts to improve service quality in their institutions.

LITERATURE REVIEW
Efforts and Service Quality

In the Big Indonesian Dictionary, the definition of effort is an attempt to achieve a purpose, solve problems, find a way out, and so on. (KBBI Web) Effort is a dynamic aspect in the position or status of something, if someone carries out his rights and obligations in accordance with his position, then he makes an effort. One of the efforts that a company needs to make is to improve service quality. The definition of service quality according to Philip Kothler is a performance offered by someone to others. This performance can be in the form of an action that is intangible and does not result in the ownership of any goods and to anyone (Pertiwi, 2021).

If a company strives for its service quality to be excellent service, of course customers will be happy to transact at that company. Likewise, later banks will need this stage in achieving customer loyalty to the quality of service provided by the bank concerned. This actually needs regular or periodic review so that the quality of service can be better. Service performance is an action that can be felt. Good service to consumers or customers aims to achieve consumer or customer satisfaction itself. Good service quality can be provided during the product purchase process, until after the purchase decision. Good service quality will also have a good impact on the company because by getting the quality of service as expected, consumers will get satisfaction, then, the satisfaction of
Service Quality Measurement

There are many ways to measure the service quality of a business. Regarding service quality issues, divide it into five parts, namely: (Parasuraman, 2021)

1. Physical Evidence (Tangible)
   Tangible is a form of service that measures the physical aspects or appearance of services, such as facilities, equipment, and the appearance of service personnel. Indicators that can be used in measuring tangibles include the cleanliness and orderliness of the service environment, the quality of facilities and equipment used, and the appearance of service personnel. (Kuryadi, 2023)

2. Responsiveness
   Responsiveness is the desire of employees to support customers in providing reactive services. Service quality indicators for the responsiveness dimension consist of: a) respond well to customers who want to get service, b) the company provides services quickly, precisely, and carefully, c) the company serves in a timely manner, and d) all customer complaints are responded to by the company.

3. Reliability
   Reliability is the ability to provide the promised service promptly, accurately, and satisfactorily. Service quality indicators for the reliability dimension, namely: a) accuracy in serving customers, b) clear service standards, and c) the company's ability to use tools in the service process.

4. Assurance
   Assurance is the knowledge and courtesy of company employees and the ability to increase customer confidence in the company. Service quality indicators for the assurance dimension include: a) the company guarantees on time customer service, b) the company guarantees costs in accordance with the service, and c) the company guarantees legality.
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5. Attention (Empathy)

Empathy is the ease of building relationships, good communication, personal attention, and understanding of customer needs. Service quality indicators for the empathy dimension include:

   a) business actors serve with courtesy and friendliness, b) respect every customer, c) put customer interests first, and d) serve non-discriminatively (Pertiwi, 2021).

Customer Loyalty

Loyalty is a word that describes a person's loyalty or adherence to an existing organisation, movement, or individual. Customer loyalty has behaviour and includes preferences, preferences, and future intentions. Based on this statement, the company will always make an effort to maintain its performance as well as possible so that the company can provide satisfying services to its customers. Kotler states that customer loyalty has an important role in a financial institution. Retaining customers means improving financial performance and maintaining the survival of a company including banking. This is the main reason for a company to continue to look for customers and retain its customers. (Aisya, 2021)

There are five factors that a company needs to consider in shaping customer loyalty in determining customer satisfaction, namely (Hamdani, 2001)

1. Product quality is one of the factors that customers will be satisfied if the results of their evaluation show that the products they use are of high quality. Likewise, banks must pay attention to the products offered so that the calculations can be understood and liked by customers.

2. Service Quality is a factor that causes customer satisfaction to be satisfied if they get good service or in accordance with expectations.

3. Emotional Customers will feel proud and believe that others will be amazed if someone uses a branded product, the satisfaction obtained is not due to the quality of the product but the social value that makes customers satisfied with a particular brand.

4. Price Products that have the same quality but set a relatively low price will provide higher value to their customers Cost and convenience are factors that affect satisfaction where there is no need to pay additional costs to get a product or service tends to be satisfied with the product or service.

For customer-focused banking companies, customer satisfaction is a goal for banks. There are several methods commonly used to measure and monitor customer satisfaction from competitor customers, namely: (Sasongko, 2020)

1. Complain and Suggestion System

Customer-oriented organisations need to provide opportunities and easy and convenient access for their customers to easy and convenient for its customers to convey their suggestions, criticisms, opinions and complaints. The media used are usually suggestion boxes placed in strategic locations, comment cards, special toll-free telephone lines, websites and others. Likewise with banks that have customers in the form of financing customers or customers who collect their funds in banks.

2. Customer Satisfaction Survey

Customer satisfaction research can be carried out by survey methods via post, telephone, e-mail, website, or direct interview. Through surveys, companies will get feedback directly from customers and give a positive impression that the company pays attention to customers. Likewise, banks engaged in services must pay attention to this
RESEARCH METHODOLOGY

This type of research is field research, using qualitative methods. The author's data source is an interview with the deputy head, customer service, marketing, and also customers of Nagari Islamic Bank Batusangkar Branch. The data collection techniques used are interviews and documentation. The data analysis technique used is data reduction, data presentation, and conclusion/verification, and the data validity guarantee technique is source triangulation. (Milles, 1992)

RESULT AND DISCUSSION

Satisfying customers is the main thing that should not be ignored, because customer satisfaction is a very strategic factor in winning the competition, maintaining the company's image in the wider community, so that quality service for customers needs to be improved. Improving the quality of service to customers is important because given the enormous role of customers in contributing revenue directly or indirectly to support the existence of the company. Service itself is a pleasant feeling given to consumers followed by an attitude of friendliness and convenience in meeting needs. Service is given as an action or attitude of a person or company to provide satisfaction to customers.

The efforts made by Nagari Islamic Bank Batusangkar Branch in improving the quality of its services, namely:

1. Physical evidence (Tangible)
   Physical evidence is a physical facility that must be available in a service process shown by service providers in various forms. The tangible aspects provided will greatly affect the satisfaction of service users. Based on the findings found in the field, it can be seen that Bank Nagari Syariah Batusangkar Branch provides facilities in the form of brochures that can provide information to customers regarding collection and financing products offered by the bank. In addition to brochures, the bank also provides facilities that can make customers feel comfortable in a clean and air-conditioned waiting room and comfortable seating for customers while waiting in line for transactions.
   User satisfaction can be used as a reference to improve service quality. In order for the quality of service provided to fulfil customer desires, it must be supported by adequate physical evidence. When the physical evidence is adequate, customers who come will feel comfortable and satisfied with the services offered. At Nagari Islamic Bank Batusangkar Branch, the physical evidence provided has made customers feel safe and comfortable to make transactions.

2. Responsiveness
   Based on the data found, Bank Nagari Batusangkar Syariah Branch has helped customers who need help or customers who are having complaints. In handling customer complaints, Bank Nagari Syariah Batusangkar frontliner officers, especially the customer service department, listen to what is not understood and what is a factor in customer dissatisfaction, then the customer service tries to answer customer complaints or if there are problems that cannot be handled by the customer service itself, then the customer service tries to solve the problem immediately and does not delay it, if necessary the customer service asks for help and information to his superiors such as supervisors or managers.

3. Reliability
   Reliability includes the ability to provide the promised service accurately and dependably, especially providing services on time, in the same way according to the promised schedule, without making mistakes. According to Tjiptono & Chandra (2012), quality service can be
improved through the willingness and ability to help customers respond quickly to their requests. Based on the research results obtained during the field, it can be concluded that the frontline at Bank Nagari Batusangkar Syariah Branch consists of customer service, tellers, and security. Which customer service, tellers, and security also have something in common in serving customers, which consists of: 5S (smile, greeting, greeting, polite, and polite), polite and friendly in serving customers, fast and responsive in resolving customer complaints, and empathy when customers are emotional.

4. Assurance

Bank Nagari Syariah Batusangkar Branch has implemented a strategy in the form of guarantees in an effort to improve the quality of its services. Where the bank maintains customer confidentiality and keeps funds deposited safely. In addition, the perception criteria of the services provided, namely courtesy (polite attitude and respect for others full of consideration and friendship). This reflects that in providing services, you must always pay attention to good ethics, so that the receiving party feels cared for. This can be felt by customers of Bank Nagari Syariah Batusangkar Branch so that the bank gets a good image in the eyes of its customers.

5. Attention (Empathy)

To improve the quality of service, the bank must be able to pay attention to the various forms of service provided, so that the customer who is the party being served will feel like an important person. Then the bank should be able to give seriousness to the service work activities provided, so that the customer who is the party served has the impression that the service provider is addressing the desired service. In addition, the bank is able to show sympathy for the services provided, so that those served feel they have authority over the services provided.

The author finds in the field that customers get attention from Nagari Islamic Bank Batusangkar Branch. The efforts of Nagari Islamic Bank Batusangkar Branch in giving attention to its customers are by always implementing excellent service by giving more special attention to its customers by always approaching themselves with customers, asking how the customer is doing, paying attention to customers when making complaints, asking if there are any complaints.

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Nagari Islamic Bank Batusangkar Branch must always understand all customer conditions, and must be calm when customers come with many problems. This aims, so that customers when transacting at Nagari Islamic Bank Batusangkar Branch, customers feel valued and if the problem is resolved they will feel happy, and will even become regular customers at this bank. By doing this, a good relationship can be established between customers and employees of Nagari Islamic Bank Batusangkar Branch. So that later, old customers or new customers can become regular customers at Nagari Islamic Bank Batusangkar Branch, and can also attract customers from other banks to transact at Nagari Islamic Bank Batusangkar Branch.
CONCLUSION

Based on the limitations of the results of research and discussion that the author has done, it can be concluded that:

1. Direct evidence (tangible) provided by Nagari Islamic Bank Batusangkar Branch is in the form of brochures, room cleanliness, neat and attractive appearance and uniforms that are directed every day, has operational support facilities such as a vehicle parking lot for customers, and has an air-conditioned and fragrant customer waiting room for customer comfort while waiting in line or while transacting.

2. Responsiveness provided by Nagari Islamic Bank Batusangkar Branch is always quick to respond by asking directly what obstacles or problems faced by customers.

3. Reliability, namely the effort given by Nagari Islamic Bank Batusangkar Branch is to have reliable employees in their respective fields.

4. Assurance. The efforts made by Nagari Islamic Bank Batusangkar Branch are able to maintain the confidentiality or identity of customers, and convince customers that the funds stored at Nagari Islamic Bank Batusangkar Branch remain safe.

Attention (empathy). The efforts given by Nagari Islamic Bank Batusangkar Branch are always trying their best to always provide open and transparent communication to.

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