

Customer Loyalty: The Effect of Service Quality, Corporate Image, Customer Relationship Marketing and Customer Satisfaction as Intervening Variable an Empirical Analysis Bank Customers in Malang City

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ABSTRACT

This study aimed to analyze the influence of service quality, corporate image and customer relationship marketing on customer satisfaction and customer loyalty. The population is bank customers in Malang city. The research sample of 180 customers of the bank. Analysis of Structural Equation Model (SEM). The results showed service quality, corporate image and customer relationship marketing influence on customer satisfaction, and service quality, corporate image and customer relationship marketing influence on customer loyalty. Customer satisfaction effect on customer loyalty. Customer satisfaction mediated the effect service quality, corporate image and customer relationship marketing on customer loyalty.

Key words: service quality, corporate image, customer relationship marketing, customer satisfaction, customer loyalty.

JEL classification: G21, M31

INTRODUCTION

The development of the banking world today is very rapid. Increased competition in Indonesian banking began with the deregulation of Indonesian banking with the policy package of June 1st, 1983 (PAKJUN) with the aim of modernizing the banking system and then continued with the October Package (PAKTO) on October 27th, 1988, which facilitated the establishment of new bank licenses, including the opening of branch offices. Competition between banks has expanded with the emergence of new products with various attributes and facilities.

Maintaining bank customers to remain loyal to bank services, bank management needs to pay attention to the

quality of services provided. Service quality is a global attitude or judgment about the superiority of a service, although the true scope of this attitude has no uniformity of opinion (Robinson, 1999). Rousan, Ramzi and Mohamed (2010), Akbar, et al (2010), Malik, et al. (2012), Bostanji (2013) and Poku, et al. (2013) concluded that there is a significant influence between the quality of service to customer loyalty. Different results are shown by Oloughlin and Coenders (2002), Cristobal, et al. (2007) and Normasari, et al (2013) that service quality does not affect customer loyalty.

The previous research gap on the impact of service quality in establishing and maintaining customer loyalty gives the direction that excellent service to customers

needs to be accompanied by a good bank image in the eyes of customers, because the image of the bank ultimately provides consumer ratings for the credibility of the bank. Oloughlin and Coenders (2002) research, Malik, et al. (2012), and Uttami, et al. (2014) concluded that the image affects loyalty, as well as Lu and Cai (2009) concluded that the image affects loyalty, but the image does not affect customer satisfaction. Different results are shown by Bloemer, et al. (1998) and Beneke et al. (2011) found evidence that the image did not affect consumer loyalty.

The previous research gap on the impact of service quality in establishing and maintaining customer loyalty gives the direction that excellent service to customers needs to be accompanied by a good bank image in the minds of customers, because the image of the bank ultimately provides consumer ratings for the credibility of the bank. Oloughlin and Coenders (2002) research, Malik, et al. (2012), and Uttami, et al. (2014) concluded that the image affects loyalty, as well as Lu and Cai (2009) concluded that the image affects loyalty, but the image does not affect customer satisfaction. Different results are shown by Bloemer, et al. (1998) and Beneke et al. (2011) found evidence that the image did not affect consumer loyalty.

The results of this study provide the direction that in addition to service quality and image of the bank there are other things that make customers survive or loyal Customer Relationship Marketing. According to Kotler and Armstrong (2008), CRM in Relational Marketing concepts is the whole process of building and maintaining profitable customer relationships by delivering value and customer satisfaction. The study of Jesri, et al (2013), Aaron (2011), and Semuel (2011) conclude that CRM significantly affects customer loyalty. Different results are shown by Wang and Yang (2010) concluding that there is no significant relationship between CRM and loyalty.

The result of empirical study about the influence of service quality, image and Customer relationship marketing to customer loyalty still cause gap to be reviewed and to cover the gap, it is needed mediator influence of service quality and image to customer loyalty. Customers are not easy to be loyal if they have not felt customer satisfaction. The experience of obtaining customer satisfaction can be binding to be loyal. So customer satisfaction is a mediation that has been done by the bank to customer loyalty.

The role of customer satisfaction as mediating the influence of service quality, bank image and Customer relationship marketing is based on the result of previous empirical study about the influence between service quality, bank image and Customer relationship marketing to customer satisfaction and influence between satisfaction to customer loyalty. Parasuraman, et al. (1988) has previously stated that high quality of service produces high customer satisfaction as well. The study of Abdullah and Rozario (2009), Kwortnik and Han (2013), Kim, et al. (2013) and Gunarathne (2014) show that there is influence of service quality to customer satisfaction. The research of Kuo and Tang (2011) can contribute to customer satisfaction of Roche (2014) and Ghanian, et al (2014) concluded that corporate image has an effect on customer satisfaction Sutanto and Japariato (2013) and Apriliani (2014) which shows that relationship marketing has a positive and significant influence in giving satisfaction to the customer satisfaction obtained by the customer is able to give influence to customer loyalty, as the result of research Fornell (1992), Akbar, et al. (2010), Mohajerani (2013) and Saleem and Raja (2014) show that customer satisfaction influences customer loyalty.

THEORETICAL REVIEW

Service Quality

In general the quality of service is the attitude or global judgment about the superiority of the service, although the actual scope of this attitude has no uniformity of opinion (Robinson, 1999). Service quality is often conceptualized as a comparison of expectations with perceptions of actual performance of services (Zeithaml et al., 2003). According to Kotler (2006), service quality is "the totality of features and characteristic of a product or service that is bear on its ability stated needs". Zeithaml(1990) stated that In general the quality of service is the attitude or global judgment about the superiority of the service, although the actual scope of this attitude has no uniformity of opinion (Robinson, 1999). Service quality is often conceptualized as a comparison of expectations with perceptions of actual performance of services (Zeithaml et al., 2003). According to Kotler (2006), service quality is "the totality of features and characteristic of a product or service that is bear on its ability stated needs". Zeithaml(1990) stated that quality is the totality of features and characteristic of a product or service that bear on its ability stated needs

According to Zeithaml et al. (2003) there are five main dimensions of service quality: tangibles, including physical facilities, equipment, personnel and means of communication; Reliability, ie the ability of staff to deliver promised service and provide satisfactory service; Responsiveness, which is the desire of the staff to help the customers and provide services with responsiveness; Assurance, including the knowledge, capability, courtesy and credibility of the staff, free from harm, risk and doubt; And empathy includes the ease of doing relationships, good communication, personal attention and understanding the needs of the customers.

Image

Image according to Kotler (2006) "Image is the set beliefs, ideas, and impressions that a person hold regarding an

object. People's attitude and actions towards an object are highly conditioned by that object's image". Meanwhile, according to Assael (1987) "An image is total perception of the subject that is formed by processing information from various sources over time". Aaker (2008) said that image is "The total impression of what person or group of people think and object".

Peters and Olson (1999) suggest factors affecting the image as follows (1) leadership, (2) policies and strategies, (3) Human Resources policy, (4) wealth management, (5) process management, (6) Customer satisfaction, (7) employee satisfaction, (8) social responsibility, (9) business results. Milferner et al. (2011) revealed the company's image indicators consisting of location, price conformity, service reputation and promotion. Harrison (2000) discloses complete information about the company's image including the following four elements: 1) Personality, the overall characteristics of a company that the target public understands, such as a trustworthy company, a company with social responsibility; 2) Reputation, what the company has done and is believed to be the target public based on its own experience as well as other parties such as the security performance of a bank's transactions; 3) Value, values owned by a company in other words corporate culture such as management attitudes that care about customers, employees are quick responsive to requests and customer complaints; and 4) Corporate Identity, components that facilitate the introduction of targeted public to companies such as logos, colors and slogans.

Customer Relationship Marketing

Customer relationship marketing (CRM) has evolved into a new paradigm for marketing strategy. CRM seeks to extend the lifespan of customers. (KhoeYaou Tung, 2007). CRM is a combination of business processes and technologies that aim to understand customers from various prospects to differentiate their products and

services on a competitive basis (Kotler and Keller, 2007). CRM is a concept that focuses on maintaining relationships with customers to build long-term and profitable relationships with customers (Buttle, 2007). According to Buttle (2007), CRM aims to develop profitable relationships and realize value for target consumers profitable by integrating internal processes and functions with all external networks.

The factors that make up customer relationship marketing according to Ndubisi and Wah (2005) are trust, commitment, communication, complaint handling and competence. While Ndubisi (2007) argue that the forming of CRM is commitment, communication and complaint handling. There are several measures of customer relationship marketing (Gronroos, 1990) namely 1) Long-term customer focus; 2) Make communication with customers; 3) Engaging member organizations in marketing activities; 4) Implementation of interactive marketing process; 5) Develop a service culture for customers; And 6) Obtain and use information from customers.

Customer Satisfaction

Engel et al (1995) says that customer satisfaction is an after-sales evaluation whereby the chosen alternative is at least equal to or exceeding the customer's expectations, whereas dissatisfaction arises when the outcomes do not meet expectations. Different views expressed Kotler (2006) customer satisfaction is the level of one's feelings after comparing perceived performance compared to expectations. Generally a customer's expectation is an estimate or a customer's belief about what he or she will receive when buying and consuming a product. While perceived performance is "customer perception of what is received after consuming the purchased product".

Assessment of satisfaction or discontent based on the expectancy disconfirmation model there are three types, namely positive disconfirmation (when performance exceeds expected), simple

disconfirmation (if both are the same), and negative disconfirmation (if performance is worse than expected). The difficulty with this model is that no definite conceptualization of standard comparisons and disconfirmation constructs has been found (Tse and Wilton, 1988).

Customer Loyalty

According to Griffin (2002), "loyalty is defined as non-random purchase expressed over time by some decision-making unit". Based on the definition it appears that loyalty is directed to a behavior, which is indicated by regular purchases, based on the decision-making unit. Customer loyalty has an important role in a company, maintaining them means improving company performance, this is the main reason for a company to attract and maintain.

Customer loyalty can be measured by indicators, namely the willingness of customers to make the company as the first choice; the willingness of customers to buy products offered by customers; the willingness of the customer to invite others to buy; and the willingness of customers to tell about good things about the company (Foster and Cadogan, 2000). While the indicator of customer loyalty according to Kotler and Keller (2009) is repeat Purchase (loyalty to the purchase of the product); retention (Resilience to negative influence of company); and referrals (references totally corporate essence). Nguyen, et al (2007), reveals that loyal customers will consider themselves faithful because of an object as a first and foremost choice, a desire to always transact and recommend to you or others.

Sung and Chang (2005) revealed that customer loyalty is formed due to favorable wording, repetitive purchase and intention of repurchase. While Chen (2008) identified with the best choice, loyalty, the desire to always shop, the order of shopping options, has a character where visitors are served quickly.

HYPOTHESIS DEVELOPMENT

Quality of service, bank image, and customer relationship marketing have a significant effect on customer satisfaction

Parasuraman et al (1988) has previously stated that high service quality resulted in high customer satisfaction. Abdullah and Rozario (2009), Kwortnik and Han (2013), Kim et al (2013) and Gunarathne (2014) indicate that there is an influence of service quality on customer satisfaction.

Image is an award earned by the company because of the superiority of excellence in the company, such as the ability owned by the company, so the company will continue to develop themselves to continue to create new things again for the fulfillment of consumer needs (Herbig, Milewicz and Golden, 1994). Kuo and Tang (2011), shows that corporate image has an effect on customer satisfaction. Roche (2014) and Ghanian et al (2014) concluded that corporate image had an effect on satisfaction of banking sector customers in Sri Lanka.

In addition to quality service and image, customer relationship marketing contributes to customer satisfaction. Sutanto and Japariato (2013) showed that relationship marketing has a positive and significant influence in providing satisfaction to customers. Apriliani et al (2014) concluded that relationship marketing has a significant influence on customer satisfaction of Bank Syariah Mandiri (BSM) KC Bandar Jaya.

H1 Quality of service, image bank and customer relationship marketing significant effect on customer satisfaction

Quality of service, bank image, and customer relationship marketing have a significant effect on customer loyalty

Quality must start from customer needs and end in customer perception (Kotler, 2006). This means that good quality is not from the perspective or perception of

the service provider, but based on the point of view on the customer's perception. Research by Rousan, Ramzi, and Mohamed (2010); Akbar et al (2010); Malik et al (2012); Bostanji (2013); and Poku et al (2013) conclude that there is a significant influence between service quality and customer loyalty.

Image is a perception of the company. If a positive consumer perception of a company creates a continuing acceptance of the receipt of value and the end product is the desire to buy the later repurchase (Dodds et al 1991). Previous research Oloughlin and Coenders (2002); Lu and Cai (2009), Malik et al (2012); And Uttami et al (2014) concluded that the image affects positively and significantly to customer loyalty.

According to Kotler and Armstrong (2008), CRM in Relational Marketing concepts is the whole process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction. Jesri et al (2013) concluded that CRM significantly affects the loyalty of Mehr Bank customers, Iran. Harun (2011) concluded that Customer relationship marketing has a high contribution to the establishment of customer loyalty Bank Muamalat Jambi branch. According to Semuel (2011), the dimension of Customer relationship marketing gives a significant influence on the loyalty of national bank customers.

H2 Quality of service, bank image and customer relationship marketing significantly influence customer loyalty

Customer satisfaction has a significant effect on customer loyalty

Consumer satisfaction is a success in meeting customer needs and desires. Customer satisfaction encourages customers to re-purchase because they do not want to move, and ultimately can benefit economically as well as "word of mouth" publicity (Fornell, 1992). Research

conducted by Akbar, et al (2010), Mohajerani (2013) and Saleem and Raja (2014) show that customer satisfaction has an effect on customer loyalty.

H₃ Customer satisfaction has a significant effect on customer loyalty

Quality of service, bank image and Customer relationship marketing significant effect on customer loyalty through customer satisfaction

A number of previous studies by Abdullah and Rozario (2009); Kwornik and Han (2013); Kim et al. (2013); And Gunarathne (2014) show that there is influence of service quality to customer satisfaction. Kuo and Tang (2011) show that corporate image has an effect on customer satisfaction. Roche (2014) concluded that the company's image had an effect on

customer satisfaction on the banking sector in Sri Lankan. Ghanian, et al (2014) concluded that the image has a significant positive effect on customer satisfaction. Sutanto and Japariato (2013) show that relationship marketing has a positive and significant influence in providing satisfaction to customers. Apriliani et al (2014) concluded that relationship marketing has a significant influence on the satisfaction of customers of Bank Syariah Mandiri (BSM) Bandar Jaya branch office. Akbar, et al. (2010), Mohajerani (2013) and Saleem and Raja (2014) show that customer satisfaction influences customer loyalty.

H₄ Quality of service, bank image and customer relationship marketing significantly effect on customer loyalty through customer satisfaction

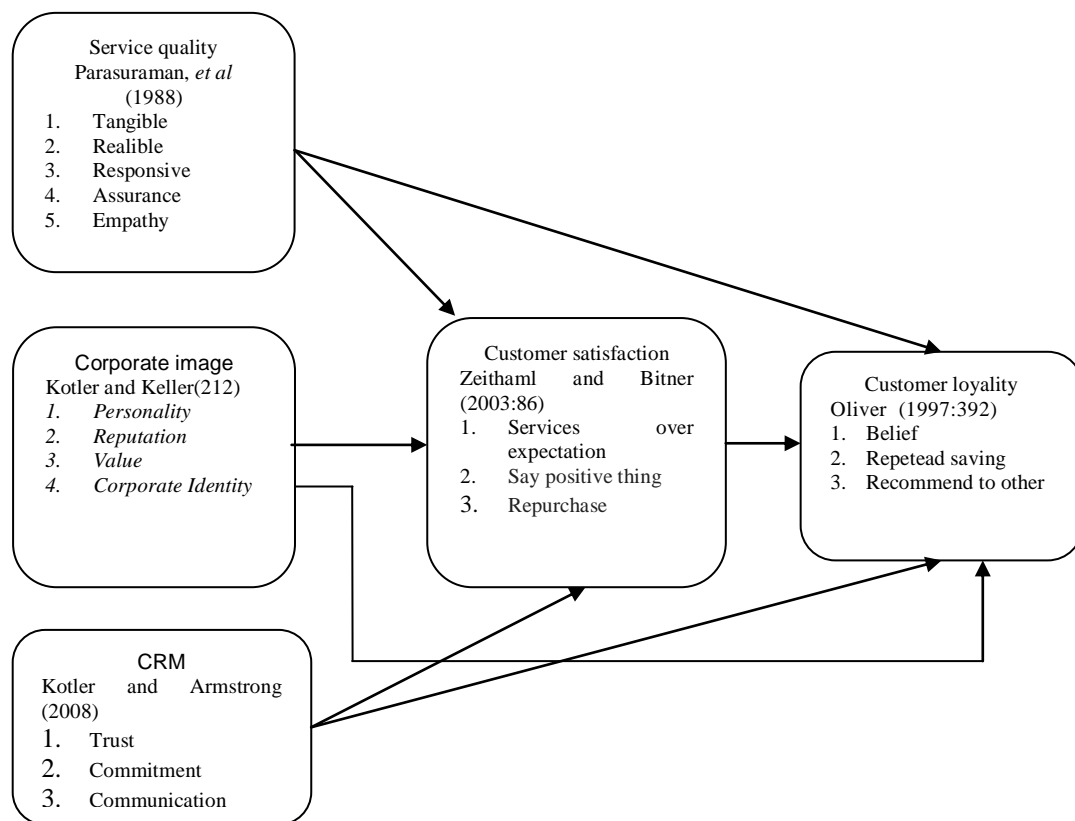


Figure 1 Conceptual Framework

RESEARCH METHODS

Research design

The study used a quantitative approach, with an explanatory research

design. Data collection techniques were conducted by survey.

Population and Research Sample

The study population is bank customers in Malang city. The number of population is infinite population, then the size of the sample is determined based on analytical techniques that will be used in research. Sample size according to Ferdinand (2006) obtained as many as 180 respondents. Sampling technique is purposive sampling, with criterion of respondent really become bank customer who open bank account in Malang City and become customer of saving minimum 3 years.

Metode Analisis Data

Data analysis technique using Structural Equation Modeling (SEM). Hypothesis testing using coefficient CR (critical ratio) analogous to t-test that is with prob. (P) and if $p > 0.05$ then H_0 is accepted, if $p \leq 0.05$ then H_0 is rejected to test the client satisfaction hypothesis mediate the effect of service quality, bank image and customer relationship marketing on customer loyalty by comparing total influence with direct influence. If the total influence is greater than the direct effect, then the hypothesis is accepted, so the variable of customer satisfaction as a variable mediate the influence of service quality, bank image and customer relationship marketing to customer loyalty.

Finding

Service Quality is measured by five indicators: tangibles, reliability, responsiveness, assurance and empathy. Corporate image is four indicators: Personality, Reputation, Value and Corporate Identity. Customer Relationship Marketing is three indicators: trust, commitment, and communication. Customer satisfaction is measured by three indicators: services over expectation, Say positive thing, Repurchase; and then customer loyalty is measured by three indicators: belief, repeated and recommend to other. The correlation coefficient for all items on five research variable (Table 1) $> 0,3$; means that all variable are valid. Alpha value for

all variable is greater than 0.6; Means that the measuring instrument for research has a high consistency.

Table 1: Validity and Reliability Instrument

| Variable | Item | Correlation | | Coefficient | |
|---------------------------------|------|-------------|--------|-------------|----------|
| | | R | status | alpha | status |
| Service quality | X1.1 | 0.799 | Valid | 0.888 | Reliable |
| | X1.2 | 0.680 | Valid | | |
| | X1.3 | 0.692 | Valid | | |
| | X1.4 | 0.738 | Valid | | |
| | X1.5 | 0.406 | Valid | | |
| | X1.6 | 0.789 | Valid | | |
| | X1.7 | 0.748 | Valid | | |
| | X1.8 | 0.760 | Valid | | |
| | X1.9 | 0.736 | Valid | | |
| Corporate image | X2.1 | 0.772 | Valid | 0.897 | Reliable |
| | X2.2 | 0.759 | Valid | | |
| | X2.3 | 0.848 | Valid | | |
| | X2.4 | 0.751 | Valid | | |
| | X2.5 | 0.688 | Valid | | |
| | X2.6 | 0.814 | Valid | | |
| | X2.7 | 0.777 | Valid | | |
| | X2.8 | 0.749 | Valid | | |
| Customer Relationship Marketing | X3.1 | 0.797 | Valid | 0.812 | Reliable |
| | X3.2 | 0.885 | Valid | | |
| | X3.3 | 0.843 | Valid | | |
| | X3.4 | 0.873 | Valid | | |
| | X3.5 | 0.831 | Valid | | |
| Customer satisfactions | Y1.1 | 0.754 | Valid | 0.819 | Reliable |
| | Y1.2 | 0.723 | Valid | | |
| | Y1.3 | 0.776 | Valid | | |
| | Y1.4 | 0.785 | Valid | | |
| | Y1.5 | 0.703 | Valid | | |
| Customer loyalty | Y2.1 | 0.850 | Valid | 0.811 | Realibel |
| | Y2.2 | 0.886 | Valid | | |
| | Y2.3 | 0.810 | Valid | | |
| | Y2.4 | 0.808 | Valid | | |
| | Y2.5 | 0.722 | Valid | | |
| | Y2.6 | 0.924 | Valid | | |

Feasibility Analysis of The Model

Relationship among research variable shows a high level of significance is $0.00 < 0.05$; that means the linearity assumption is met. Tabel 2 shown overall goodness of FIT Model, means that the overall model is good (Solimun, 2013). The results goodness of FIT analysis :

Table 2: Goodness of FIT

| Criteria | Cut-off value | Result | Description |
|------------|---------------|---------|----------------|
| Chi-Square | small | 298.201 | Model Marginal |
| p-value | ≥ 0.05 | 0.000 | Good |
| CMIN/DF | ≤ 2.00 | 2.330 | Good |
| GFI | ≥ 0.90 | 0.853 | Model Marginal |
| AGFI | ≥ 0.90 | 0.804 | Good |
| TLI | ≥ 0.95 | 0.788 | Good |
| CFI | ≥ 0.95 | 0.803 | Good |
| RMSEA | ≤ 0.08 | 0.066 | Good |

Result Structural Equation Model (SEM) with AMOS 6.0 below:

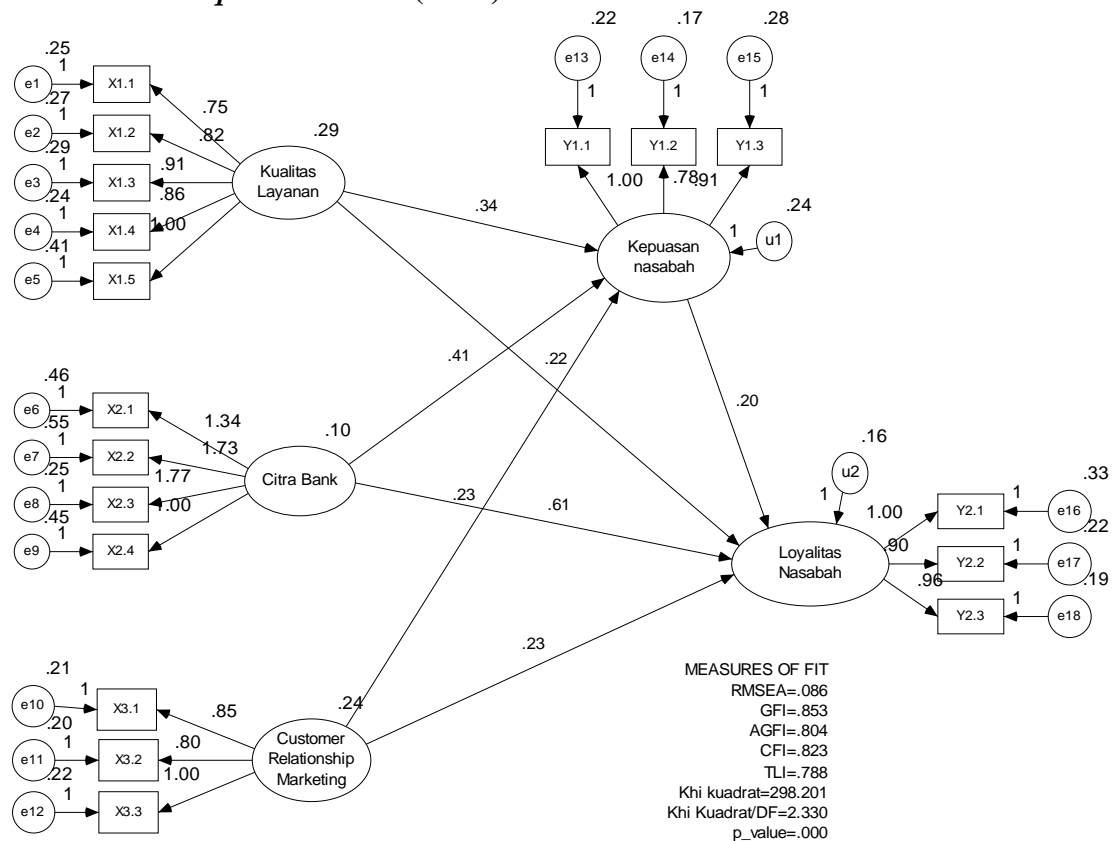


Figure2. Model SEM

For hypothesis testing:

Table 3: Regression Weight

| Description | | | Path Coeff | C.r. | p-value | Result |
|-----------------------|----|-----------------------|------------|-------|---------|-------------|
| Customer Satisfaction | <- | Service Quality | 0.284 | 2.639 | 0.008 | Significant |
| Customer Satisfaction | <- | Corporate image | 0.204 | 2.571 | 0.010 | Significant |
| Customer Satisfaction | <- | CRM | 0.345 | 3.288 | 0.001 | Significant |
| Customer Loyalty | <- | Service Quality | 0.238 | 2.130 | 0.033 | Significant |
| Customer Loyalty | <- | Corporate image | 0.165 | 2.018 | 0.044 | Significant |
| Customer Loyalty | <- | CRM | 0.221 | 2.008 | 0.045 | Significant |
| Customer Loyalty | <- | Customer Satisfaction | 0.211 | 1.971 | 0.049 | Significant |

The effect of service quality on customer satisfaction resulted Cr value of 2,639 with p-value of 0.008 α 0,05 so that service quality had significant effect to customer satisfaction. The effect of corporate image on customer satisfaction resulted in Cr value of 2,571 with p-value of 0.008 α 0.05 so that corporate image has a significant effect on customer satisfaction. The influence of customer relationship marketing to customer satisfaction resulted Cr value of 3,288 with p-value equal to 0.008 α 0,05 so that customer relationship marketing have significant effect to customer satisfaction. Thus H1: Service

quality, Corporate image and Customer relationship Marketing have a positive and significant impact on proven customer satisfaction.

The influence of service quality on Customer loyalty resulted Cr value of 2,130 with p-value of 0.033 α 0.05, so service quality has significant effect on Customer loyalty. The effect of corporate image on Customer loyalty resulted Cr value of 2.018 with p-value of 0.044 α 0.05, so that corporate image has significant effect on Customer loyalty. The influence of customer relationship marketing to Customer loyalty result Cr value equal to

2.008 with p-value equal to $0.045 < \alpha 0,05$, so customer relationship marketing have significant effect to Customer loyalty. Hence H2: Service quality, Corporate image and customer relationship marketing have positive and significant impact on Customer loyalty tested.

The influence of customer satisfaction on Customer loyalty resulted Cr value of 1,971 with p-value of $0.049 < \alpha 0.05$, so H3: customer satisfaction had positive and significant impact on Customer loyalty tested. Testing the influence of Service quality, Corporate image and customer relationship marketing to Customer loyalty with customer satisfaction mediation, then the complete test results:

Table 4: Hypothesis Testing Results

| Influence Between Variables | Direct Effect | Indirect effect | Total Effect |
|--|---------------|------------------------------|--------------|
| service qualityon customer satisfaction | 0.284 | - | 0.284 |
| Corporate imageon customer satisfaction | 0.204 | - | 0.204 |
| CRMon customer satisfaction | 0.345 | - | 0.345 |
| service qualityon customer loyalty | 0.238 | $0.284 \times 0.211 = 0.059$ | 0.297 |
| Corporate imageon customer loyalty | 0.165 | $0.204 \times 0.211 = 0.043$ | 0.208 |
| CRMoncustomer loyalty | 0.221 | $0.345 \times 0.211 = 0.072$ | 0.293 |
| customer satisfactionon customer loyalty | 0.211 | - | 0.211 |

Based on Table 4, the effect of service quality on customer loyalty through customer satisfaction has a total effect of $0.297 > \text{direct effect } 0.238$. This result shows that customer satisfaction mediates the influence of service quality on customer loyalty tested. The influence of corporate image on customer loyalty through customer satisfaction has total value effect $0.208 > \text{direct effect } 0.165$. This result shows that customer satisfaction mediates the influence of corporate image on customer loyalty tested. The influence of customer relationship marketing on customer loyalty through customer satisfaction has a total effect of $0.293 > \text{direct effect } 0.221$. These results indicate that customer satisfaction

mediates the influence of customer relationship marketing on customer loyalty tested. Thus it is tested that customer satisfaction mediates the influence of Service quality, Corporate image and customer relationship marketing to Customer loyalty, and corporate image gives dominant influence to customer loyalty.

CONCLUSION AND DISCUSSION

Quality of service, bank image and customer relationship marketing affect customer satisfaction

Customer satisfaction of bank customers is obtained from products that meet customer expectations. Products that meet customer expectations on bank services are determined by tangible service quality in the form of excellent bank staff performance. This means that customers demand bank officers to look attractive, because the appearance of bank staff will give the impression for the customer. In addition to service quality, corporate image in the form of availability of easy access services (e-banking) also makes customer satisfaction associated with the bank, without having to be tied to the day and working hours and bank location. Furthermore, the emotional closeness that banks build with customers such as giving birthday congratulations to repeat customers or organizing activities with customers when the bank is repeatedly grows customer engagement with the bank. These findings support the research that service quality influences customer satisfaction, conducted by Abdullah and Rozario (2009), Kwornik and Han (2013), Kim et al (2013) and Gunarathne (2014). Research on corporate image support affecting customer satisfaction performed by Herbig, Milewicz and Golden (1994); Kuo and Tang (2011); Roche (2014); And Ghanian et al (2014), in line with customer relationship marketing research affecting customer satisfaction performed by Sutanto and Japariato (2013) and Apriliani (2014).

Quality of service, bank image and customer relationship marketing affect customer loyalty

Loyal customers recommend to others, because they guarantee that only quality services will be accepted by other customers. But in bank services is not enough just the quality of services that make loyal customers, the positive image of the bank in the minds of customers is something of concern, because it relates to the credibility of the bank in guaranteeing customer funds. Thus, the ability of banks to build long-term relationships with customers also plays a role in retaining customers. The results of research significant influence between service quality and customer loyalty done by Rousan, Ramzi and Mohamed (2010); Akbar et al (2010); Malik et al (2012); Bostanji (2013); And Poku et al (2013), but the findings of this study do not support Oloughlin and Coenders (2002); Cristobal et al (2007); And Normasari et al (2013). In line with research that corporate image affect customer loyalty by Oloughlin and Coenders (2002); Lu and Cai (2009); Malik et al (2012); Uttami et al (2014); Bloemer et al (1998); And Beneke et al (2011). This research also supports Customer Relationship Marketing affects customer loyalty, conducted by Jesri, et al (2013); Aaron (2011); Semuel (2011); And Wang and Yang (2010).

Customer satisfaction affects customer loyalty

Customer satisfaction affects customer loyalty. It can be explained that customers who feel satisfaction intend to repeat the transaction back at the bank and will recommend to others. The fulfillment of customer expectations applied to customers to make transactions with ease such as knowing the balance information, transferring funds either with the same bank or with other banks, bill payment (PLN, Telkom, Credit Card, etc), and purchase other products and know location

information Nearest ATM supported by GPS system. The results of this study are in line with research conducted by Akbar et al (2010); Mohajerani (2013); And Saleem and Raja (2014) indicating that customer satisfaction affects customer loyalty.

Customer Satisfaction mediates the influence of service quality, bank image and Customer relationship marketing to customer loyalty

Customer satisfaction in the form of products that meet customer expectations encourages customers to save in the bank, because tangibles, especially on the appearance of bank staff, and the credibility of the bank embodied from the corporate image, especially because access to services that are easy to obtain because of unlimited service and service time through the development of facilities A comprehensive and integrated core banking system application system, as well as customer relationship marketing, especially in building emotional closeness with customers, will have an impact on the customer's attachment to the bank, encouraging behavior to persist and not moving to other banks and recommending others to save in the bank the same one.

LIMITATION

Service quality measurement in this research use SERVQUAL method, therefore for upcoming research, service quality measurement can be implemented by observing service process by using SERVPERF method; therefore it can be used as comparison.

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