

RESEARCH ARTICLE

The Influence of Service Performance on Customer Satisfaction of Bank Central Asia in Surabaya

Andreani F*, Wijayanty D

Hotel Management Program, Faculty of Economics, Petra Christian University, Jl. Siwalankerto 121-131. Surabaya 60236.

*Corresponding Author's Email: andrea@peter.petra.ac.id

Abstract

Bank Central Asia (BCA), one of the biggest non-governmental banks in Indonesia, has survived facing all crises and challenges up till now. A pre-survey to some of BCA customers in Surabaya shows that they were satisfied due to its service quality. This research is conducted to find out whether BCA's customer satisfaction is influenced by its service performance (SERVPERF) as service quality is a very important factor for a service oriented industry to survive and develop. In this study, the authors use a quantitative method with multiple linear regression to prove the influence of service performance on customer satisfaction. From the analysis, it shows that the good services implemented by BCA in Surabaya have a very strong influence on its customer satisfaction as much as 85.1%. Among the five dimensions (tangibility, reliability, responsiveness, assurance, and empathy), responsiveness has the biggest influence on customer satisfaction. So by improving some service performance aspects, like minimalizing errors that oftenly occurred, BCA will increase the company's quality and its customer satisfaction.

Keywords : *Customer satisfaction, Servperf, Service.*

Introduction

Competition in service and manufacturing industries has been increasing in this globalization. The banking industry which is engaged with service, with their programs offered, supported by good service quality, has been striving to gain maximum profit for their companies. Indonesian Bank (BI) data of July 2010 shows, bank savings have contributed for 29.75% for the third-party funds including government and shareholders, compared to the previous year of 28.53%. This shows a more aggressive competition between bank companies to get customers attention and maintain their existence [1].

Assauri (2003) states that services for entrepreneurs, is one of the most important thing in providing customer satisfaction. Competition is getting tougher these days; it requires the service providers to always treat consumers with their best [2].

PT Bank Central Asia Tbk is a non-governmental bank in Indonesia. The company which was founded in 1957 has an excellent reputation in customers' perceptions across Indonesia. The bank was awarded as "The most powerful company in

2010" according to Economic News magazine. It has faced many crises and challenges for more than half a century of work [3].

From the awards obtained, it can be said that

BCA has many contributing factors potentially forming the satisfaction of its customers. To strengthen this phenomenon, the authors have conducted a pre survey of ten BCA customers who have used the services of this company by asking about their main reasons for choosing BCA as a satisfying service provider

Through the survey, five respondents chose quality of service as the main reason for their satisfaction of BCA with three votes declared the responsiveness of employees as a critical item, and two votes for the supporting facilities availability. There were also two respondents who completed the survey by selecting the variety and completeness of existing products, each with the attributes of credit cards and BCA-click (Internet Banking), as their main reasons. While the remaining three respondents chose interesting programs offered, followed by two votes choosing BCA reward, and one vote for the mortgage BCA as the supporting items. From the existing

phenomenon, the authors want to analyze the extent to which the role of service quality of BCA in influencing customer satisfaction through service performances (SERVPERF) approach.

Based on the research background, the authors have two research problems to answer which are as follows:

- Does SERVPERF dimensions (tangibility, reliability, responsiveness, assurance, empathy) have significant influence on BCA customer satisfaction in Surabaya?
- Among the five dimensions of SERVPERF, which one has the most dominant influence in maintaining BCA customer satisfaction in Surabaya?

The objectives of the research are as follows:

- To find out whether SERVPERF dimensions have a significant influence on Bank Central Asia's customer satisfaction in Surabaya.
- To find out which SERVPERF dimension is the most dominant influence on Bank Central Asia's customer satisfaction in Surabaya.

Literature Review

Service is an activity that is intangible and does not result to any ownership offered by one party to another party or by a service provider to a customer in order to fulfill the customer needs [4, 5]. Whereas performance is a combination of ability, effort and opportunity that can be evaluated [6]. It is a comparison to see the differences between what has been done with the expected standards [7].

Basically SERVPERF has significant similarities with Service Quality (SERVQUAL) as one of the tools to evaluate the quality of service. SERVPERF has 22 attributes similar to SERVQUAL. SERVQUAL focuses on the differences between expectation (expected service) and perception (actual service); whereas, SERVPERF emphasizes on performance approach only [8].

According to another study, SERVQUAL has instable dimensions; and this can be solved if customer expectation is omitted from the measurement model [9]. SERVPERF is the evaluation of actual service received by customers to whom they can really determine the quality of service they have got [10]. Very often, customer evaluation depends on performance so that it is

able to explain a variance in measuring service quality as a whole. This is consistent with another research which compares this method in service industry so that SERVPERF could have reliable estimation in details [11].

SERVQUAL and SERVPERF has five dimensions to measure which include the followings [12].

- Tangibility
 - Modern equipment
 - Visually appealing facilities
 - Employees who have a neat, professional appearance
 - Visually appealing materials associated with the service
- Reliability
 - Providing service as promised
 - Dependability in handling customers' service problems
 - Performing services right first time
 - Providing services at the promised time
 - Maintaining error-free records
- Responsiveness
 - Keeping customers informed as to when services will be performed
 - Prompt service to customers
 - Willingness to help customers
 - Readiness to respond to customers' requests
- Assurance
 - Employees who instill confidence in customers
 - Making customers feel safe in their transactions
 - Employees who are consistently courteous
 - Employees who have the knowledge to answer customer questions
- Empathy
 - Giving customers individual attention
 - Employees who deal with customers in a caring fashion
 - Having the customer's best interest at heart
 - Employees who understand the needs of their customers
- Convenient business hours

Good service quality or performance may lead to customer satisfaction. Customer satisfaction is customer's fulfillment response to a consumption experience, or some part of it. Customer satisfaction is a pleasurable fulfillment response, dissatisfaction is a displeasurable fulfillment response [13]. So customer satisfaction refers to customers' positive evaluation of their experiences during their interaction with a service provider in business transaction.

Customer satisfaction can be very useful for companies for the following reasons [14].

- It saves cost.
- Very often satisfied customers are willing to pay more for the excellent service they have got without paying too much on the price. The strategy focusing on customer satisfaction is an alternative to retain customers.
- It is economical.
- The cost of retaining and satisfying customers is four-to-six-time cheaper than getting new customers
- It reduces price sensitivity.
- Satisfied customers tend to be less price-conscious.
- It serves as a business key in the future.
- Satisfied customers are indicators of successful business.
- It functions as word of mouth recommendation.

important in either shaping or retaining satisfied customers. It can be an experience that encourages customers to repurchase the same product or service, or even to consume the other product or service line offered by the same companies. Nevertheless, with different characters and attitudes, it is necessary for the companies not to use the same approach for different customer needs. For this reason, the companies need to pay attention to use the right attributes of service dimensions in order to maintain customer trust.

A study by Host et al. [15] shows that SERVPERF dimensions can be used as a tool to see how far customers are satisfied. When customers are treated well and their needs are satisfied, they will feel comfortable to have transactions with the companies. The trust they get will make them repurchase the product or service offered by the companies.

Satisfied customers tend to give positive recommendation to others which is very beneficial for companies. Service performance is very

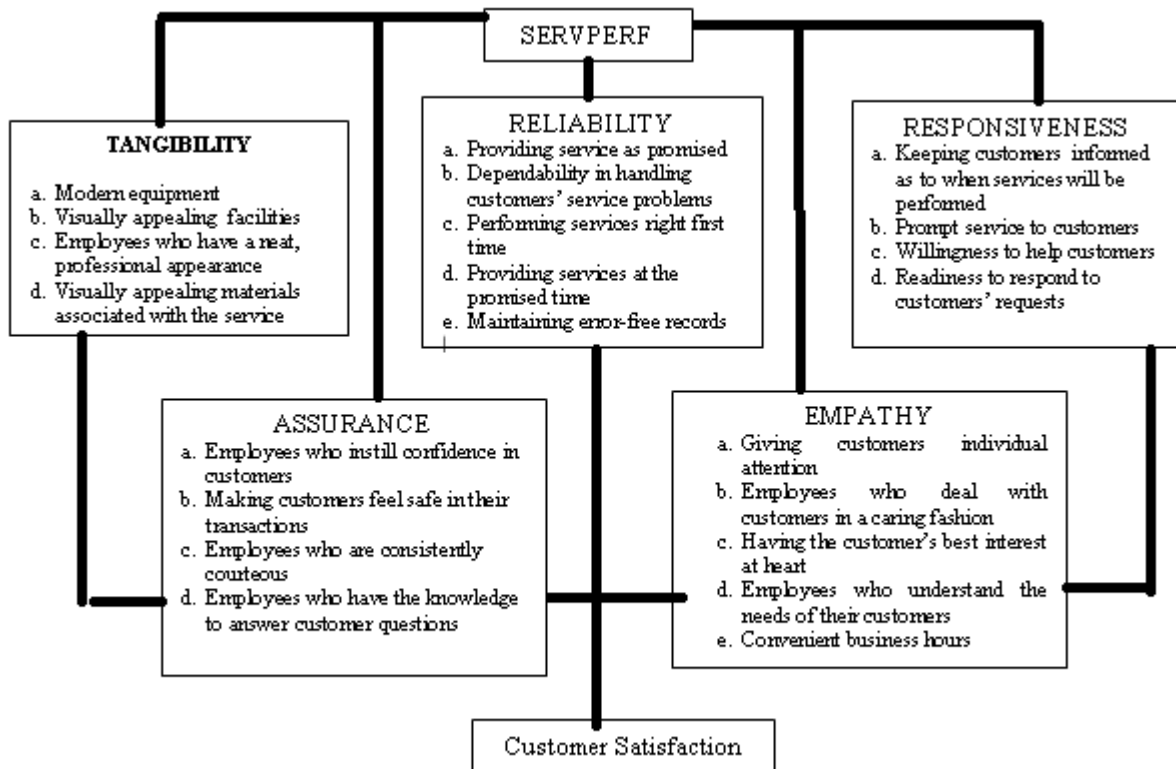


Fig 1. Framework of the Research

The hypotheses of the research are as follows:

H1: SERVPERF dimensions (tangibility, reliability, responsiveness, assurance, empathy) have significant influences on Bank Central Asia's customer's satisfaction in Surabaya.

H2: SERVPERF dimension of responsiveness is the most dominant influence in maintaining customer satisfaction.

Data Collection Methods and Analysis

There are two operational variables used in the model, which are: independent variables and dependent variable. The independent variables

are five SERVPERF dimensions of tangibility, reliability, responsiveness, assurance and empathy.

The independent variables are supported by 22 items which consist of:

1. Tangibility dimension (X1) refers to the appearance of physical facilities, equipment, personnel and communication tools available in BCA. The indicators are:

- BCA uses modern banking equipment
- BCA has comfortable waiting room
- Employees are dressed neatly and professionally
- BCA provides interesting informational brochures.

2. Reliability dimension (X2) means BCA staff's ability to deliver promised services in accordance with trustworthiness. The indicators are:

- BCA staffs can fulfill customer's desired service
- BCA staffs are able to solve customer's problems
- BCA staffs rarely make mistakes
- Services provided are in accordance with the promised time
- Information provided by BCA staffs is easy to understand.

3. Responsiveness dimension (X3) can be defined as a form of BCA staff's ability to help customers and provide service quickly and precisely. The indicators are:

- BCA staffs provide up-to-date information
- BCA staffs work quickly
- BCA staffs are willing to help customers
- BCA staffs are always ready in responding customer's requests.

4. Assurance dimension (X4) is the level of staffs' knowledge and courtesy in creating trust and security in the customer's mind. The indicators are:

- Information and services provided by BCA staffs are trustworthy
- BCA can maintain and make their customers feel secure in transaction
- BCA staffs are courteous and consistent in providing service
- BCA staffs have wide product knowledge to answer customers' questions

5. Empathy dimension (X5) refers to BCA staffs' concern and how they give personal attention to customers. The indicators are:

- BCA staffs give special attention to each customer
- BCA staffs care about their customers
- BCA staffs concern with customers' interest
- BCA staffs understand their customers' needs
- BCA's operational hours are convenient for the customer

The dependent variable is customer satisfaction with BCA's service performance (Y) with indicators as follows:

- Customer is satisfied with BCA's tangibility aspect
- Customer is satisfied with BCA staff's reliability aspect
- Customer is satisfied with BCA staff's responsiveness aspect
- Customer is satisfied with BCA staff's assurance aspect
- Customer is satisfied with BCA staff's empathy aspect
- Customer feels satisfied with BCA service

A quantitative method is used in this research. It's a non-probability sampling with judgmental sampling under the following criteria:

- Bank Central Asia customers in different parts of Surabaya.
- Aged 17 years and a maximum of 55 years

The data resources for the research are collected both from literary studies as well as by distributing questionnaires to 125 BCA customers using Likert scale theory namely: (1) strongly disagree; (2) disagree; (3) neutral; (4) agree; (5) strongly agree. Then data collected are calculated using Statistical Packet for Social Science (SPSS) program.

From a total of 125 questionnaires, there are 119 valid questionnaires to be used to perform data analysis. Statistically, there are 27 single male respondents, along with 17 married male respondents. While female respondents consist of 61 single female respondents, and 14 married female respondents. It can be concluded that most respondents are 17-35 years old. The percentage of female respondents is 63%, whereas the rest 37% are male respondents.

Data are analyzed using the following techniques:

1. Validity and Reliability Tests

Based on the validity test from 30 questionnaires, it shows that the value of Corrected Item-Total Correlation is more than 0.30 so that it can be inferred that each of the research items is valid and can be used for further analysis. The reliability test also shows that the value of Cronbach Alpha from each variable is more than

0.60 so it can be said that the questionnaires in this research are reliable.

2. Mean Analysis

Based from the mean analysis, it can be inferred that all indicators are good. The respondents are mostly agree with the statements supporting the service performance given by BCA branches in Surabaya.

Table 1: Mean of variables

Variable	Mean	Remarks
Tangibility	4.108	Good
Reliability	3.777	Good
Responsiveness	3.818	Good
Assurance	3.989	Good
Emphaty	3.687	Good
Satisfaction	3.855	Good

3. Classic Assumption Test

Classic Assumption Test is a statistical requirement that must be fulfilled in multiple linear regression analysis based on Ordinary Least Square. This research will use four kinds of assumption classic test, which are described as:

- Multicollinearity test

It is to test whether there is any correlation among independent variables. A regression model is said to have no correlation when VIF (*variance inflation error*) < 10. The results show that the VIF of the independent variables is less than 10.

- Autocorrelation test

In regression model, there is no autocorrelation when the value of Durbin Watson is between 1.10-2.90. The results show that its Durbin Watson is 2.077 which means the model is free from autocorrelation.

Table 2.: F test

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	591.694	5	118.339	136.237	.000(a)
Residual	98.155	113	.869		
Total	689.849	118			

In addition, a multiple determination test is also used to know the influence magnitude of

- Heteroscedasticity test

From the test, it can be stated that the research doesn't experience any heteroscedasticity as the significance of each variable is above 0.05.

- Normality test.

From the test, it shows that the value of Kolmogorov Smirnov (significance probability) is 0.363 which is more than 0.05, and Kolmogorov Smirnov is below 1.97. So it can be concluded that the residual has met the normal assumption.

4. F Test

Based on the results, the F value is 136.267 and the significance level is 0.000 (<0.05) indicating that the model is fit and significant.

independent variables on the dependent variable as per table below:

Table 3. Model summary of multiple determination test

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		Durbin-Watson
				R Square Change	F Change	
.926(a)	.858	.851	.932	.858	136.237	2.077

As the value of adjusted R square is 0.851 in table 3, it can be stated that 85.1% customer satisfaction is influenced by BCA's SERVPERF dimensions of tangibility, reliability, responsiveness, assurance, and empathy; while the rest of 14.9% BCA customer satisfaction is influenced by other variables outside the model.

5. Multiple Regression and t analyses

It is to see the relationship of dependent variable with independent variables as per table 4.

Table 4: Regression model coefficients

	Unstandardized Coefficients		Standardized Coefficient B	t	Sig.
	B	Std. Error			
Constant	3.438	0.830		4.141	0.000
Tangibility	0.186	0.055	0.165	3.375	0.001
Reliability	0.177	0.056	0.172	3.131	0.002
Responsiveness	0.317	0.055	0.322	5.796	0.000
Assurance	0.303	0.068	0.234	4.462	0.000
Empathy	0.197	0.041	0.226	4.780	0.000

This can be represented by the following equation:

$$Y = 3.438 + 0.186 X_1 + 0.177 X_2 + 0.317 X_3 + 0.303 X_4 + 0.197 X_5$$

From the calculated data, it is known that beta coefficients (B) of independent variables are all positive and significant.

Discussions

Based on the calculation of the t test (Table 4), it indicates that the significance values among all variables are <0.05, which mean that SERVPERF dimensions including tangibility, reliability, responsiveness, assurance, and empathy have significantly influenced BCA's customer satisfaction. In addition the value of adjusted R square is 0.851 (Table 3) and its significance is 0.000 (Table 2). This means that tangibility, reliability, responsiveness, assurance and empathy of the BCA have influenced significantly on customer satisfaction as much as 85.1%. While the rest of 14.9% is influenced by other factors which are not examined in this research. So the first hypothesis is accepted.

Table 1 also shows that means of SERVPERF dimensions are good. The mean value of tangibility is good as customers can get easy access of Automated Telling Machines (ATMs) in every part of Surabaya. BCA has a lot of ATMs in every part of Surabaya, not only in big malls but also in in other parts of the city as well. Besides that,

they can also use Internet Banking without the necessity of going to the banks by themselves. Whenever they have to go to the bank, they also feel comfortable in the waiting room. They are served by the neat and professional BCA staff with necessary information and interesting brochures. Even so, some of the customers still think that the availability of brochures and information is not that enough. So BCA staff should be able to provide the customers with the needed necessity in order to fulfill their needs.

In term of reliability, customers are satisfied as BCA staff can fulfill their desired service especially when they have banking problems. For example, when they need to close or even block their accounts, the staffs would be able to give them the necessary solution directly or by phone. They rarely make mistakes and they can also provide services appropriately as promised. Besides that the customers do not have to wait long enough when they make transaction in the bank because they have to queue. The staffs can also give information that is easy to understand. However, some customers state that BCA needs to improve their service to minimize the staff's mistakes in billing and payment transactions so that there will be zero mistakes.

The mean value of responsiveness is good enough. The staffs can provide customers with needed information. They are willing to help customers. They are always ready in responding to customers' requests. For example, when there is a

confused customer, the staff will come to him/ her to offer some help. But some customers still think that BCA staff's responsiveness in delivering speedy service needs to be improved.

In term of assurance, the customers are also satisfied with the staffs' knowledge and courtesy in creating trust and security. BCA provides customers secure website to do business. The staffs are also courteous and consistent in providing service in face to face communications because they have wide product knowledge to answer customers' questions. This makes customers happy to use BCA services.

In empathy dimension, BCA staffs could give special attention to each customer as they concern with customers' interest.

Moreover, they can also understand the customers' needs. For example, when a customer doesn't know which form to fill to complete his/ her transaction, the staffs would be willing to offer some help by giving some guidance. Its operational hours can also make customers feel convenient as they could go to the bank directly on working days or they may also use internet banking 24 hours a day and 7 days a week. However, among other dimensions the value is the lowest one (3.855). So it still needs to be improved well.

From the multiple regression equation of $Y = 3.438 + 0.186 X_1 + 0.177 X_2 + 0.317 X_3 + 0.303 X_4 + 0.197 X_5$ and the unstandardized beta coefficient in Table 4, they show that the beta coefficient of responsiveness is 0.317. This is the highest value among others. So it can be inferred that among the five dimensions of SERVPERF, responsiveness has the most dominant influence on BCA's customer satisfaction in Surabaya. So in this case the second hypothesis is also accepted.

References

1. Mohammad K (2010) Kebanjiran likuiditas, bank terus berburu dana murah. Infobanknews.com. Retrieved March 2, 2012, from <http://www.infobanknews.com/2010/11/kebanjiran-likuiditas-bank-terus-berburu-dana-murah/>
2. Marianah D (n.d.) (2012) Kontribusi kepuasan kerjadankualitas jasa terhadap kepuasan nasabah. Retrieved March 15, 2012 from http://www.gunadarma.ac.id/library/articles/postgraduate/management/Perbankan/Artikel_91206022.pdf.
3. [http:// www.klikbca.com](http://www.klikbca.com)
4. Kotler P et al. (2009) Marketing management: an Asian perspective. Singapore: Prentice Hall.
5. Gronroos C (2006) Service management and marketing: a customer relationship management approach (2nd ed.). New York : John Wiley & Sons, Inc.
6. Sulistiyani AT, Rosidah (2003) Manajemen sumber dayamanusia. Yogyakarta: Graha Ilmu.
7. Guritno B, Wahidin (2005) Pengaruh persepsi karyawan mengenai perilaku kepe mimpinan,

Conclusion and Recommendation

Based on the analysis on, it can be concluded as follows:

- The results of hypotheses testing show that the overall dimensions of SERVPERF have significant influences on customer satisfaction of Bank Central Asia in Surabaya.
- Partially, all SERVPERF dimensions of tangible, reliability, responsiveness, assurance, and empathy has strong links to customer satisfaction.
- From the analysis, it is known that responsiveness dimension has the highest impact on customer satisfaction.

Based on the results of the research, it is recommended that Bank Central Asia should be able to keep maintaining the quality of service which they have applied. The service performance given will be more excellent when BCA improves the following aspects:

- BCA staffs should be able to provide necessary information and related brochures as needed to provide zero mistakes.
- BCA should frequently conduct training for its staff to reduce the risk of errors in the service performance
- BCA staffs need to understand the customers' needs better in order to provide better services.
- The speed of BCA staffs' performance should be improved, especially in handling complaints as there are some complaints that take a long time to solve.
- BCA staffs should know their company's products better as these can be used as a guidance for the staffs to understand their customers' needs, including how they give advice or suggestions and to solve problems.

- kepuasan kerjadan motivasi terhadap kinerja. 1: 63-74.
8. Meng J, Kevin ME (2008) Investigating structural relationships between service quality, switching costs, and customer satisfaction. *Journal of Applied Business and Economics*. Retrieved March 10, 2012, from <http://www.na-businesspress.com/JABE/ElliottWeb>.
 9. Landrum H et al. (2009) Measuring IS system service quality with SERVQUAL: users' perceptions of relative importance of the five SERVPERF dimensions. *Informing Science: the International Journal of an Emerging Trans discipline*, 18-35. Retrieved March 12, 2012, from <http://inform.nu/Articles/Vol12/ISJv12p017-035Landrum232.pdf>.
 10. Cronin JJ, Taylor SA (1994) Reconciling performance-based and perceptions-minus-expectations measurement of service quality. Retrieved March 20, 2012, from <http://files.myopera.com/hungqtkd/blog/SERVPERF%20vs%20SERVQUAL.pdf>
 11. Abdullah F (2006) Measuring service quality in higher education: HEDPERF versus SERVPERF", 31-47. Retrieved 2012, March 10, 2012 from http://www.ftsm.ukm.my/aishah/paper%20pdf_2nd%20education/Firdaus_Measuring%20service%20quality%20in%20higher%20education_HedPERF%20versus%20SERVPERF.pdf
 12. Kotler P, Keller KL (2006) *Marketing management*. 12 e. Pearson Education, Inc. Upper saddle River. New Jersey. p. 384.
 13. Buttle F (2004) *Customer relationship management: concepts and tools*. First Published. Oxford: Elsevier Butterworth-Heineman.
 14. Hassan A (2009) *Marketing*. Yogyakarta : Media Pressindo. p. 67
 15. Host et al. (2003) Modelling customer satisfaction in Mortgage Credit Companies. Denmark: Emerald the International Journal Bank Marketing.