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ANALYSIS OF SERVICE PERFORMANCE TO LOYALTY CUSTOMER WITH SATISFACTION AS INTERVENING VARIABLE

¹Megasari Gusandra Saragih;²Desy Elfitra Surya,

¹ Management Studies Program, Pembangunan Panca Budi University, Indonesia

² Management Studies Program, Pembangunan Panca Budi University, Indonesia

Email: megasari.saragih@gmail.com

Abstract

This research was conducted at Mandiri Bank Region 1 Medan with the purpose of research to analyze the services performance to customer loyalty with satisfaction as intervening variable, with respondents as many as 122 customers. The analysis tool used is Structural Equation Modeling (SEM) with AMOS assistance. This study found that the services performance significantly influence satisfaction and customer loyalty, satisfaction significantly influence customer loyalty and satisfaction partially mediates the influence mediation between service performance on customer loyalty.

Keywords: *Service Performance, Satisfaction, Loyalty.*



A. Introduction

The sector is actually one of the sectors which is currently not needed by the market. Where, if it plays an important role in all economic activities of the city, it is also a source, even more financial transactions, also as the driving force for most of the population even in the internal market.

Since the strategy which has a business in the repair sector will have to take place with a high rate which will only occur last year. The researcher stated that a measure based on performance (service performance) would reflect the quality of service / service more than the quality of service in service quality. This is reinforced by the statement and Sherral Alford (1996; dala Andri, 2011), that the performance of the service would be a good predictor for the quality of service / services.

Lucas (2012: 363) argues that satisfaction is a key factor for many customers to be faithful (loyal). Furthermore, according to Suryani (2008: 140), there are three factors that can be controlled by marketers to influence consumer satisfaction is the quality of service, product quality and price.

Oliver defines loyalty (loyalty) as a deeply held commitment to purchase or support back preferred products or services in the future despite the influence of the situation and potentially lead to consumer marketing efforts switched (Kotler & Keller, 2009: 138). Bei and Chian (2001) explain the causal relationship between the quality of service, product quality and price to customer satisfaction and loyalty.

Regarding customer satisfaction and loyalty, Mandiri Bank Region 1 Medan, is well aware of the importance of both. According to the Small Business and Tissue Bank, Gunardi (medan.tribunnews.com, 2019), lending in the region of North Sumatra (North Sumatra) reached Rp 46.6 trillion, up 0.7 percent over the previous year, with an average of fund raising Third party (DPK), which reached Rp 30.7 trillion, up 10.4 percent year on year. In 2018, the Bank was ranked 11 out of the 500 best companies the world in terms of working environment according to Forbes magazine. Mandiri Bank continues to strengthen trust and major customer convenience through solidarity activities, one of which held a



joint celebration of the lunar new year 270 invitations priority customers and corporate customers in the field.

Yet it can not be a benchmark that customer of Mandiri Bank Region 1 Medan has a high loyalty. The increase in deposits funds amounting to 10.4 percent more dominated by new customers. There is still a lack of performance of services provided by the employees of the Bank Regional Office 1 Terrain also affects the level of customer satisfaction. This is evident from the long queues at rush hour and service customer service takes quite a long time.

Based on this background, the researchers are interested in conducting further research into the "Analysis of Service Performance to Loyalty Customer With Satisfaction as Intervening Variable".

B. Method

Objects in this study were all clients Mandiri Bank Region 1 Medan located in Pulau Pinang road number 1 Medan, North Sumatra. Furthermore, the population in this study were all clients Mandiri Bank Region 1 Medan which amounts to 494,000 customers. For sampling in the model Structural Equation Modeling (SEM), according to Hair et al. (2010) amounted to 5-10 on the number of indicators. In this study, there are 14 indicators that the number of samples can range between 70-140 respondents. The number of samples is determined by multiplying the number of indicators by 8, so that the total sample of $14 \times 8 = 112$ respondents supplemented with 10 samples in case if any data outliers, so the total sample of this research was 122 respondents. The sample selection was conducted using probability sampling with accidental sampling technique.

Indicators used to measure the performance of services: physical evidence, service, willingness to provide assistance and personnel (Cronin and Taylor, 1994). Indicators used to measure satisfaction: performance of services, costs, corporate image and the decision to use services (Naumann and Giell, 1995; in Andri, 2011). Indicators used to measure loyalty: make a purchase on a regular basis, buying out its product line, reject products or services from other companies, are immune to the charms of competitors, attract new customers to the company and the weaknesses or deficiencies will be notified to the company (Griffin, 2003).



C. Research Finding

Test the suitability of the model are flowcharts in the equation full model. Full model test carried out in two stages, before a full model and full model modification after modification. Test before the modified full model was conducted to determine how far the early models were established to meet the criteria of Goodness Of Fit (GOF) before the model is modified. Here will be presented the full picture before the modified models:

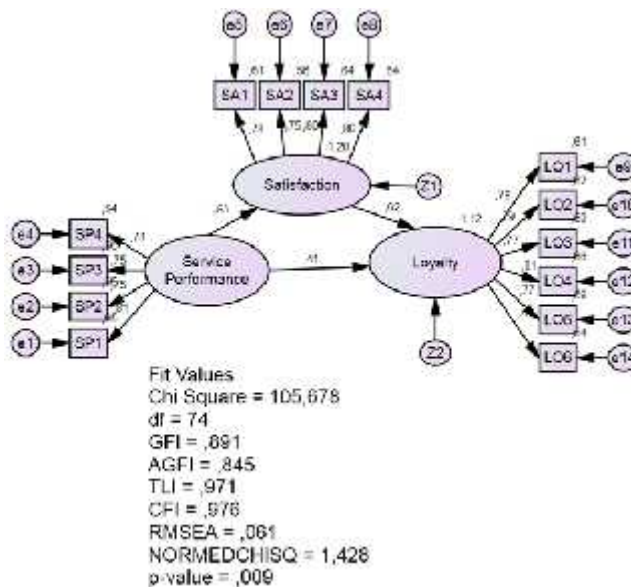


Figure 1. Full Model Before Modified

Based on Figure 2 can be seen that the value of Goodness of Fit (GOF) do not meet the criteria, such as GFI are still marginal value (0.891 < 0.90), the value of which is still marginal AGFI (0.845 < 0.90) and the p-values still ugly that is equal to 0.009. With Figure 1 has not yet been able to explain the research model properly and well, so it needs to be modified.



Here will be presented the full image after the modified models:

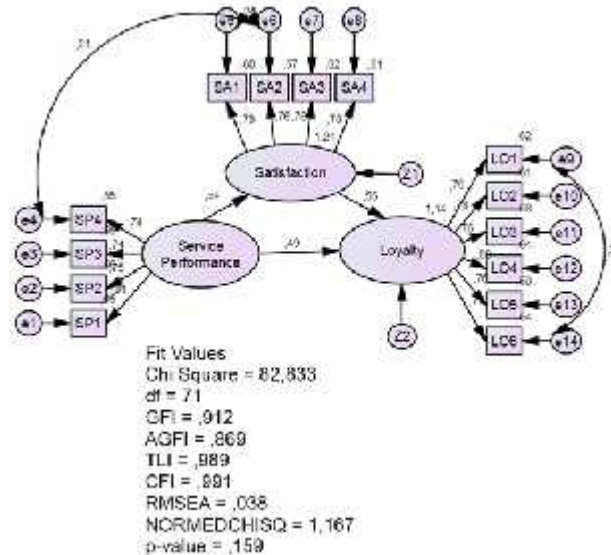


Figure 2. Full Model Research Having Modified

Based on Figure 2 it is clear that the whole construct that is used to model this study met the criteria GOF. As the value of GFI, chi-square, TLI, CFI, RMSEA, CMIN / DF that have met the required criteria and more emphasized with p-value of 0.159 which indicates that the model established has been very significant. Unless the value AGFI are still marginal but close well.

D. Discussion

To see how much influence the independent variable on the dependent variable are shown in Table 2 below:

Table 1. Effect of the Independent Variable Dependent Variables

			Std. estimate	estimate	SE	CR	P
Satisfaction	<---	ServicePerformance	,542	,523	,097	6,935	***
Loyalty	<---	ServicePerformance	,492	,457	,074	6,150	***
Loyalty	<---	Satisfaction	,548	,535	,081	6,644	***

Source: output AMOS-20, 2019.

Based on Table 1 will be described in detail in order to more clearly answer the research hypothesis is as follows:

Influence of the Service Performance Satisfaction



Service performance have a significant effect on customer satisfaction with the value of standardized regression weight estimate of 0.542 (54.2%), the value of the critical ratio of 6.935 and the value of probability of (***) or by 0.0001, which means very significant. This proves that the performance of services significantly influence customer satisfaction Mandiri Bank Region 1 Medan.

The influence of the Loyalty Service Performance

Service performance have a significant effect on customer loyalty to the value of standardized regression weight estimate of 0.492 (49.2%), the value of the critical ratio of 6.150 and the value of probability of (***) or by 0.0001, which means very significant. It can be concluded that a significant effect of service performance on customer loyalty Mandiri Bank Region 1 Medan.

Influence Satisfaction of Loyalty

Satisfaction significant effect on customer loyalty to the value of standardized regression weight estimate of 0,548 (54.8%), the value of the critical ratio of 6.644 and the value of probability of (***) or by 0.0001, which means very significant. It can be concluded that satisfaction significantly influence customer loyalty Mandiri Bank Region 1 Medan.

Mediating Influence Satisfaction Loyalty Service Performance

To determine whether or not mediate satisfaction with the service performance of the influence of loyalty, can be seen in the picture Sobel test results following tests:

Input:	Test statistics:	Std. error:	p value:
a 0.542	Sobel test: 4.30822521	0.06894157	0.00011545
b 0.510	Acplan test: 4.20051670	0.06890700	0.00011905
c 0.057	Goodman test: 4.37647059	0.06749747	0.00011447
% 0.051	Reset all	Calculate	

Figure 3. Test Results Sobel

Based on the calculation of significance was found -a path (0.0001), -b path (0.0001), the path -c (0.0001), and the line c '(0.00001). It can be concluded that satisfaction partially mediates the mediation effect of service performance on customer loyalty Mandiri Bank Region 1 Medan.



This means that the service performance may affect directly or indirectly to increase customer loyalty Mandiri Bank Region 1 Medan.

E. Conclusion

From the analysis and discussion that has been described, the conclusions of this study are as follows: 1) Performance of service significantly influence customer satisfaction Mandiri Bank Region 1 Medan; 2) significant effect of service performance on customer loyalty Mandiri Bank Region 1 Medan; 3) satisfaction significantly influence customer loyalty Mandiri Bank Region 1 Medan; 4) Satisfaction partially mediate the mediation effect of service performance on customer loyalty Mandiri Bank Region 1 Medan.

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