

A Study of Service Speed and Servicescape as a Basic Strategy to Improve Loyalty by Evaluating Customer Satisfaction at PT. Bank Mandiri Persero (Solo Branch)



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ABSTRACT

This study aims to determine and analyze empirically the effect of service speed and servicescape on customer satisfaction and loyalty at PT. Bank Mandiri Persero (Solo Branch). The analysis technique used was the validity test and reliability test, linearity test, regression analysis, path analysis, t test, F test, determination coefficient test and correlation analysis. Hypothesis Test Results indicated that service speed has a positive and significant effect on customer satisfaction and servicescape has a positive and significant effect on customer satisfaction. Service speed has a positive and significant effect on customer loyalty. Servicescape has a positive and significant effect on customer loyalty. Customer satisfaction has a positive and significant effect on customer loyalty. The results of F in the second equation showed that the value of $F = 288.445$, with a significance of $0.000 < 0.05$, so it can be concluded together that the independent variables have a significant effect on customer loyalty at PT. Bank Mandiri Persero (Solo Branch). The results of the R^2 value can be explained by the variable service speed, servicescape, and customer satisfaction as an intervening variable of 92.6% and the remaining 7.4% explained by other variables outside the research model in the form of interest rates, service quality, and so on. The results of the path analysis showed that: the indirect effect of service speed on loyalty is an effective route. The indirect effect of the servicescape on loyalty is an effective route. Based on these results, the use of customer satisfaction mediation is proven, so it is expected that PT. Bank Mandiri Persero (Solo Branch) pays more attention to the level of customer satisfaction in order to increase customer loyalty.

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1. Introduction

Today's global economy's development and growth encourage fierce competition among service companies. Companies must develop appropriate marketing strategies in order to win the competition and maintain their existence, specifically by attempting to satisfy the needs and desires of customers in order to achieve the company's goal of maximizing profit. To achieve customer loyalty, various marketing strategies are implemented. The company's marketing strategies include developing long-term good relationships with customers and providing quality and fast services (Abdullaeva, 2020)

Customer loyalty is affected by factors such as service speed (Anggraeni et al., 2019). The speed of service is evaluated using a service quality model based on a hierarchical design (Hierarchical Approach) proposed by (Chan & Li, 2020). The primary dimension of service quality is made up of three components: interaction quality, physical environment quality, and outcome quality. These elements demonstrate that the speed of service will be able to provide all customers with a sense of satisfaction. This is because of the speed of service with which customers will feel proud and appreciated by the banking sector, which in this case is at PT. Bank Mandiri Persero (Solo Branch).

The speed with which a professional service is provided to customers is critical for any organization or company. It will foster a sense of satisfaction among customers in general. Of course, it is expected that employees in the organization will be able to work optimally if Human Resource Management is managed professionally.

The findings of Newman et al., (2016) and Morkunas & Rudiene, (2020) research showed that service speed has a significant positive effect on customer satisfaction, whereas Rijae & Magnadi (2018) research showed that service speed has no significant effect on customer satisfaction. These findings indicated that there is a research gap in the study's findings, and therefore more research on the relationship between service speed and customer satisfaction is required; in this case, research is being conducted at PT. Bank Mandiri Persero (Solo Branch).

Good service creation will essentially lead to satisfaction for those who receive services. Essentially, satisfaction is a matter of personal preference. Depending on the value system that applies to him/her, each individual will experience varying levels of satisfaction. This is due to individual differences. Individual satisfaction plays an important role in supporting the achievement of company goals.

As a service implementing organization, PT. Bank Mandiri Persero (Solo Branch) must increase the speed of service to customers because quality is ultimately determined by the customer. Meeting customer expectations by improving the quality of service with the speed of service, speed of service, and a good corporate image is one way to increase the speed of service. People's satisfaction with the speed of service can be interpreted by comparing the views of the services received and the expectations of the services expected. Meanwhile, based on experience and information, customers' expectations can be formed.

A servicescape is another factor that influences customer satisfaction at PT. Bank Mandiri Persero (Solo Branch). According to Haryanto et al., a servicescape is an environment where services are delivered and where companies and their customers interact, as well as any tangible components that facilitate the appearance or communication of services (2017). Furthermore, PT. Bank Mandiri Persero (Solo Branch) is concerned with the servicescape or physical environment. Servicescape is created on purpose or by humans to support the services provided to customers. Servicescape is critical because it can convey a positive image of all the facilities and conveniences offered by PT. Bank Mandiri Persero (Solo Branch).

Customer loyalty has been identified as the most important factor influencing the current business's success. Customer loyalty is a response that is closely related to a pledge or promise to uphold the commitment that underpins the continuity of the relationship and is usually reflected in

continuous purchases from the same service provider on the basis of dedication and pragmatic constraints (Asti & Ayuningtyas, 2020), whereas Customer loyalty, according to (Sciences et al., 2020), is a customer's commitment to a brand, store, or supplier that is based on a very positive attitude and is reflected in consistent repeat purchases.

PT. Bank Mandiri Persero (Solo Branch) must be able to increase customer value and product excellence in order to create customer satisfaction. Customer value can be created by the company's speed of service to its customers. The better the speed of service, the higher the customer value to the company. Because the cost of attracting new customers can be five times that of retaining existing customers, retaining all existing customers is generally more profitable than changing customers (Kotler et al, 2015).

The provision of quality services is also carried out as part of the servicescape strategy in order to create customer loyalty. Good service speed is expected to be able to determine customer attitudes in assessing, deciding, and giving an impression on the services provided, because often satisfied customers will tend to be more loyal to the company. The company's service speed is intended to meet customer expectations, but customer expectations do not always match. Customer expectations for service speed will evolve over time and will continue to rise. Quality is a dynamic state characterized by products, services, people, processes, and the environment that meet or exceed expectations (Triono et al., 2020).

According to the findings of research conducted by (Ramdani et al., 2020), (Situmorang, 2018), service speed has a significant effect on loyalty. Meanwhile, according to research carried out by (Rijae & Magnadi, 2018), service speed has no significant effect on loyalty. Based on these findings, there is a research gap between service speed and loyalty. Therefore, this study investigates the relationship between service speed and customer loyalty at PT. Bank Mandiri Persero (Solo Branch). The concept of customer satisfaction is the result of service providers' success in meeting customer expectations, which influences changes in attitudes and loyalty. These three outcomes are the anticipated outcomes of all marketing activities (Dewi & Riani, 2017). PT. Bank Mandiri Persero (Solo Branch) is a service provider. Pegadaian Kartosura has a vision as an integrated business solution to create customer loyalty, particularly pawn-based, which has always been the market leader, and fiduciary-based micro, which is always the best for the lower middle class. Because of the large number of banking businesses and types of companies engaged in services to meet customer needs, PT. Bank Mandiri Persero (Solo Branch) in marketing services still needs to be re-optimized. In order to retain customers, PT. Bank Mandiri Persero (Solo Branch) must increase the speed of service and servicescape so that customers do not switch to other banks.

Based on this research, it is necessary to re-examine these variables, so the authors are interested in assuming the title of "Service Speed and Servicescape as a Basic Strategy for Increasing Loyalty through Customer Satisfaction Evaluation at PT. Bank Mandiri Persero (Solo Branch).".

2. Literature Review

Customer loyalty is customer loyalty that reflects the intention to behave (intended behavior) with regard to a product or service (Dharmmesta, 1999). Behavioral intentions here include the possibility of future purchases or renewal of service contracts or vice versa, as well as the likelihood of customers switching to other service providers or brands (Purnama et al., 2020).

Customer satisfaction is the activity that occurs between customers' expectations and their realizations (Kusuma & Artanti, 2020). Customers who are satisfied with the goods and services they receive are more likely to repurchase from the same producer. The desire to repurchase as a result of this satisfaction is motivated by a desire to repeat positive experiences and avoid negative ones (Situmorang, 2018).

Service speed refers to the ability to provide quick (responsive) service (Haryanto et al., 2017). Service is a part or sequence that occurs in the direct interaction of one person with another or with a physical machine and provides customer satisfaction. According to the KBBI Indonesian Dictionary, service is an effort to meet the needs of others (Anggraeni et al., 2019).

Servicescape is an activity that influences customer preferences, expectations, and satisfaction, and others (Sciences et al., 2020). This is supported by the statement made by (Anggraeni et al., 2019) that the longer a person stays in a facility, the more likely it is that the perceived quality of the servicescape plays an important role in determining service satisfaction.

3. Research Method

To prove the hypothesis, this study used a quantitative research approach that analyzes the causal relationship. This study was carried out at PT. Bank Mandiri Persero as the research site (Solo Branch). The objects of this study were 90 respondents of customers at PT. Bank Mandiri Persero (Solo Branch) who transacted saving above IDR 100,000,000.00 in September 2020 using the census method, namely all customers who transacted above IDR 100,000,000.00 in September 2020 at PT. Bank Mandiri Persero (Solo Branch). The variables used in this study included independent variables such as speed of service (X1) and servicescape (X2), as well as an intervening variable called customer satisfaction (X3) and a dependent variable called customer loyalty (Y). Path analysis was the statistical analysis technique used in this study.

4. Results and Discussion

This study used two path analysis, to be able to see the effect on each variable. The results of the path analysis in equation one are as follows:

Table 1. The Results of the Path Analysis in Equation 1

	Beta	T	Sig
Service speed	0.505	6.741	0.000
Servicescape	0.450	6.005	0.000

Source: SPSS data, 2021

According to the path analysis results in equation one, service speed and servicescape have a positive effect on customer satisfaction.

Table 2. The Results of Path Analysis in Equation 2

	Beta	t	Sig
Service Speed	0.243	3.723	0.000
Servicescape	0.225	3.576	0.001
Customer Satisfaction	0.536	7.086	0.000

Source: SPSS data, 2021

According to the path analysis results in equation two, service speed, servicescape, and customer satisfaction all have a positive effect on customer loyalty.

Table 3. The Results of the t-test in Equation 1

	Beta	t	Sig
Service speed	0.505	6.741	0.000
Servicescape	0.450	6.005	0.000

Source: SPSS data, 2021

The t-test in equation one can be concluded that service speed and servicescape have a significant effect on customer satisfaction, each of which has a significant value of service speed and servicescape variables <0.05.

Table 4. The Results of the t-test in Equation 2

	Beta	t	Sig
Service speed	0.243	3.723	0.000
Servicescape	0.225	3.576	0.001
Customer Satisfaction	0.536	7.086	0.000

Source: SPSS data, 2021

The t-test in equation two shows that service speed, servicescape, and customer satisfaction all have a significant effect on loyalty, with each producing a significance value of <0.05.

Table 5. The Results of F Test

	F	Sig
Regression	288.445	0.000

Source: SPSS data, 2021

The results of the simultaneous test show that $F = 288.445$, with a significance of $0.000 < 0.05$. It can be concluded that together the independent variables have a significant effect on customer loyalty at PT. Bank Mandiri Persero (Solo Branch)

Table 6. The Results of Determination Coefficient in Equation 1

	R	R Square	Adjusted R Square
1	0.903	0.816	0.812

Source: SPSS data, 2021

The R^2 test obtained results of 0.816 which means that customer satisfaction at PT. Bank Mandiri Persero (Solo Branch) is explained by the variable speed of service and servicescape of 81.6%.

Table 7. The Results of Determination Coefficient in Equation 2

	R	R Square	Adjusted R Square
1	0.954	0.910	0.906

Source: SPSS data, 2021

According to the findings of the preceding analysis, all of the hypotheses examined in this study have been proven to be correct. This is summed up in Table 8 below:

Table 8. Hypothesis Results

Hypothesis	t	Sig	Conclusion
Service speed → Customer Satisfaction	3.723	0.000	proven
Servicescape → Customer Satisfaction	3.576	0.001	proven
Customer Speed → Loyalty	3.723	0.000	proven
Servicescape → Loyalty	3.576	0.001	proven
Customer Satisfaction → Loyalty	7.086	0.000	proven

Source: SPSS data, 2021

This study also examined the relationship or mediating role of customer satisfaction on customer loyalty, and therefore the calculation of the analysis of this research path can be presented in Table 9, below:

Table 9. The Results of Path Analysis

From Variables	Path Coefficient		Total Effect
	PL	PTL	
Service speed → Loyalty	$P3=0.243^{**}$		
Servicescape → Loyalty	$P4=0.225^{**}$		
Service speed → Customer Satisfaction → Loyalty		$P1 \times P5 = 0.505 \times 0.536 = 0.271$	$P3 + (P1 \times P5) = 0.243 + 0.271 = 0.514$
Servicescape → Customer Satisfaction → Loyalty		$P2 \times P5 = 0.450 \times 0.536 = 0.241$	$P4 + (P2 \times P5) = 0.225 + 0.241 = 0.466$

Source: SPSS data, 2021

The final research model produced in this study can be depicted in Figure 1 below:



Figure 1. Analysis Results Framework
Source: various sources developed in this research

Discussion

The impact of service speed on customer loyalty

The use of an intervening variable of customer satisfaction to increase loyalty for the variable speed of service is effective, according to path analysis, because the direct effect produces a smaller effect. This means that in order to increase customer loyalty at PT. Bank Mandiri Persero (Solo Branch), the factors in increasing customer satisfaction at PT. Bank Mandiri Persero should be considered (Solo Branch). These findings are supported by research conducted by (Abdullaeva, 2020), (Chan & Li, 2020), and (Morkunas & Rudiene, 2020) showing that service speed has a significant effect on loyalty. PT. Bank Mandiri Persero (Solo Branch) can increase customer satisfaction by providing satisfaction when transacting. PT. Bank Mandiri Persero (Solo Branch) provides good service with complete equipment and in good physical condition, and provides satisfaction with modern equipment services.

The impact of servicescape on loyalty through customer satisfaction

The use of customer satisfaction as an intervening variable in order to increase loyalty for the servicescape variable is effective because the indirect effect produces a greater effect than the direct effect. This means that in order to increase customer loyalty at PT. Bank Mandiri Persero (Solo Branch), we should focus on the customer satisfaction variable and the factors that contribute to high customer satisfaction at PT. Bank Mandiri Persero (Solo Branch). The findings of this study are supported by research conducted by (Newman et al., 2016), (Kusuma & Artanti, 2020), (Anggraeni et al., 2019), and (Sciences et al., 2020) that show servicescape has a significant effect on loyalty. This can be accomplished by PT. Bank Mandiri Persero (Solo Branch) in increasing customer satisfaction through the provision of satisfaction when transacting. PT. Bank Mandiri Persero (Solo Branch) offers good service with full equipment and in good physical condition, as well as satisfaction with modern equipment services

5. Conclusion

Speed of service contributes to customer satisfaction at PT. Bank Mandiri Persero (Solo Branch) so that it should be increased through the use of technology or by increasing the capacity of human resources to increase customer loyalty. Servicescape contributes to customer satisfaction at PT. Bank Mandiri Persero (Solo Branch), and therefore PT. Bank Mandiri Persero (Solo Branch) must improve service excellence by utilizing technological advances. Speed of service contributes to

customer loyalty at PT. Bank Mandiri Persero (Solo Branch) so that the speed of service needs to be improved. Basically, fast and easy service is one of the things that customers expect. Servicescape contributes to Customer Loyalty at PT. Bank Mandiri Persero (Solo Branch), so that the servicescape needs to be improved, for example improving the cleanliness of the room, improving cleanliness with duty hours for cleaning services. Customer satisfaction contributes to Customer Loyalty at PT. Bank Mandiri Persero (Solo Branch), so that PT. Bank Mandiri Persero (Solo Branch) strives to provide satisfaction when transacting and provides good service with complete equipment and in good physical condition. Path analysis results explain the indirect effect of service speed on loyalty as an effective path. The indirect effect of service scape on loyalty is an effective path.

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