

Effect of Service Quality on the Satisfaction Level of Credit Card Customers

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Abstract

In the current era of development, the world of technology is in great demand by all people. Information technology has changed business strategy into something very vital. The banking industry sector places information technology as the main element that is integrated into banking activities, production information or in terms of providing banking services. The facility of providing accurate, timely and efficient information is in great demand and much needed in the sophistication of the current information age. The purpose of this study is to analyze effect of service quality on the satisfaction level of credit card customers. The type of research used is descriptive quantitative. The population in this study are 600 credit card users. Thus, the sample in this study are 86 credit card users. The method of analysis used a simple linear regression test. The results show that service quality has a positive and significant effect on the satisfaction level of credit cardcustomers.

Keywords

service quality; satisfaction level; credit card



I. Introduction

In the current era of development, the world of technology is in great demand by all people. Information technology has changed business strategy into something very vital. The banking industry sector places information technology as the main element that is integrated into banking activities, production information or in terms of providing banking services. The facility of providing accurate, timely and efficient information is in great demand and much needed in the sophistication of the current information age. Development is a systematic and continuous effort made to realize something that is aspired. Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired. In addition, development is also very dependent on the availability of natural resource wealth. The availability of natural resources is one of the keys to economic growth in an area. (Shah, M. et al. 2020)

The development of the credit card industry in the current era of globalization is very rapid, there are lots of banks that provide credit card facilities for their customers, of course so that their customers get satisfaction from banking services. Credit cards are not only used as a means of payment in lieu of cash as well as a symbol of a modern lifestyle, because credit cards can only be owned by people who have a minimum income of Rp32

million per year. And the average urban community, especially young executives and upper-middle class entrepreneurs have used credit card facilities a lot.

According to Garpersz (2002) a credit card is a card that entitles the holder to the appointment of the card and by signing an account form a company can obtain goods or services without the need to pay directly.

The concept of using credit cards in banking transactions has been known for more than 67 years. However, new high-tech payloads could emerge around the 1970s. In these years, the first automatic teller machine appeared, which marked banking transactions supported by telecommunication technology online for all customers for 24 hours without interruption. Thirty years later, this technology transaction style has become the lifestyle of more than 90 percent of banking transactions in developed countries. Most credit cards are the same shape and size, as specified by the standard ISO 7,810.

According to Garpersz (2002), a transaction is an economic/financial event involving at least 2 parties who exchange with each other, involve themselves in a business union, borrow and borrow on the basis of mutual consent or on the basis of legal provisions.

The development of credit card services in the world began in 1924. A few years later this method of using the card was followed by 100 banks around the world. In 1950, the Diners Club and American Express used the first plastic cards. In 1985, American Express offered cards for the travel and entertainment markets. In 1966, the Bank of America offered Bank America card license cards to other banks for making payment cards. In 1969, the first automatic teller machine appeared in England. In 1970, the idea of making credit cards was widely accepted. In 1977, the Bank of America licensed a credit card that was centralized together officially under the name Visa. In 1995, more than 90 percent of banking transactions in America were conducted electronically. Currently in the world, credit cards are issued by several international networks, namely Visa, Mastercard, Diners Club International, and American Express, for its own network at this time the most extensive is Visa, as proven by being trusted to be a sponsor of the 2008 Beijing Olympics.

The credit card market has begun to penetrate Indonesia and those who are entitled to issue credit cards in Indonesia are official financial institutions such as banks. Each publisher has its own advantages and disadvantages. The type itself consists of:

1. Platinum (Highest limit to unlimited).
2. Gold (Medium to high limit).
3. Silver (Low to medium limit).
4. Specials such as Gold Card, Manchester United Card, and others.

The development of the number of banks that provide credit card facilities in Indonesia is currently increasing, where the level of development makes the competition in the banking business increasingly sharp. In order to compete, banking performance must be improved by creating various products and facilities through marketing strategies. In attracting customers using credit cards, banks provide various facilities and benefits such as competitive interest rates, facilities for credit card holders, including promotions and service satisfaction for credit card customers (Jasfar, 2004).

Bank Mega is one of the private banks on a national scale located in North Sumatra Province. The tight competition in the banking world forces Bank Mega to retain its customers, one of which is to improve service quality. One of the strategies that must be carried out by Bank Mega to improve the quality of service even better is by surveying Bank Mega customers to determine the level of customer satisfaction. Customers in this case are those consumers who use credit cards. Bank Mega always strives to increase satisfaction which is manifested by efforts to improve non-physical, namely the service

capabilities of employees who are in direct contact with customers through training and also provide services through 24-hour services from mobile banking and internet banking that provide a communication platform for customers and prospective customers who can be used at any time to conduct transactions and obtain information about the products offered. Therefore, good service quality leads to satisfaction for customers, and will have an impact on the sales of Bank Mega banking services, which means affecting the bank's profit for the survival of the bank itself.

Considering how important the role of service quality is for the life of an organization or company to try to increase its potential, so that the quality and quantity of these services can compete or at least be able to keep pace with the pace of competition in the business world. Customer service is very important for the life of a company, because without customers, there will be no buying and selling transactions between the two. For this reason, the company's service activities must be oriented to customer satisfaction. The quality of employee service to customer satisfaction can contribute to the company in increasing its long-term income is the extent to which the company's or organization's ability to serve or provide maximum service to its customers in a systematic and programmed manner does not violate ethical values in a business. In an industry or business that is customer-oriented, it cannot be avoided that service quality becomes the only determining factor for the existence of the company or industry in being involved in an industry or business that is full of competition, because if service quality is not considered, the consequences will be that customers will switch to other similar industries or businesses that provide more satisfactory service to their customers (Aritonang, 2005).

The purpose of this study is to analyze effect of service quality on the satisfaction level of credit card customers.

II. Research Method

The type of research used is descriptive quantitative. Quantitative descriptive research is research that aims to describe or describe the properties (characteristics) of a situation or object of research conducted through the collection and analysis of quantitative data and statistical testing (Octiva et al., 2018; Pandiangan, 2018).

Population is a generalization consisting of objects/subjects that have certain qualities and characteristics that are applied by researchers to be studied and then drawn conclusions (Asyraini et al., 2022; Octiva, 2018; Pandiangan, 2015). The population in this study are 600 credit card users. The sample is part of the population (Jibril et al., 2022; Pandiangan et al., 2018; Pandiangan, 2022). The sampling technique in this study used the slovin formula. The slovin formula is a practical method for determining the size or number of samples provided that the population is relatively large. Determination of the minimum number of samples required in the study needs to pay attention to the limits of fault tolerance set (Octiva et al., 2021; Pandiangan et al., 2021; Pandia et al., 2018). Thus, the sample in this study are 86 credit card users.

The method of analysis used a simple linear regression test. This analysis is to determine the direction of the relationship between the independent variable and the dependent variable whether positive or negative and to predict the value of the dependent variable if the value of the independent variable increases or decreases (Pandiangan et al., 2022; Tobing et al., 2018).

III. Result and Discussion

3.1 General Description

Bank Mega originated from PT Bank Karman (Karya Aman) which was established on April 15, 1969 and is domiciled in Surabaya, with its head office located at Jalan Kembang Jepun Number 180-184. It has been recorded that ownership has changed several times, in 1988, this bank was a non-foreign exchange bank with 2 branches, and in 1989 it had assets of Rp123 billion. Later, the branch offices were added to a total of 6 branch offices and 4 sub-branches spread across several cities, such as Jakarta, Malang, and Gresik. On March 11, 1991, Bank Karman was acquired by Pudjianto, owner of Zebra Taxi Surabaya (through PT Continental Zebra Taxi) and Yayasan Kesejahteraan Karyawan Bapindo which both own 35% and 20% shares, respectively. In addition, Ade Nasution also joined with 20% ownership, and the previous owner before the acquisition, Tjahjono Goenadi, who still held a minority stake of 25%. After the acquisition, Bank Karman relocated to Jakarta and changed its name to Mega Bank on January 1, 1992.

Post-acquisition, Mega Bank actually experienced a decline in performance and almost went bankrupt. At that time, a shoe entrepreneur, Chairul Tanjung (who would later own the CT Corp conglomerate), decided to acquire all of Mega Bank's shares from the hands of the previous owner. Chairul sold his stake in his shoe factory to control the small bank in 1996. Then, to further improve its image, in June 1997 Mega Bank changed its logo with the aim that as a financial institution the public's trust would be more easily recognized through the new company logo. and also changed its name to Bank Mega. Later, under the control of Chairul who was assisted by Cacuk Sudarjanto, Bank Mega was actually safe when a number of other banks collapsed during the 1997-1998 monetary crisis. In fact, the name of Bank Mega was raised when in 1998 there was chaos everywhere, this bank was present with cool advertisements on television in the form of "Mega Shalawat" and "Acong-Joko-Sitorus". Bank Mega developed into one of the big banks, and became the basis for Chairul's development as one of the top conglomerates in this country.

In order to strengthen the capital structure, on April 17, 2000, Bank Mega conducted an initial public offering, and listed its shares on both the BEJ and BES (now the Indonesia Stock Exchange). Thus, some of Bank Mega's shares were owned by the public and changed its name to PT Bank Mega Tbk. In this process, Bank Mega released its 112.5 million shares at an offering price of Rp1,200/share. The following year, in 2001 to be exact, Bank Mega had 72 branch offices spread across various regions and was listed as one of the fastest growing banks in Asia Pacific.

On June 20, 2013, Bank Mega launched a new logo and a new motto "For a Better Indonesia". This new identity is a deep reflection of Bank Mega's hope to take part in building Indonesia into a nation that has excellence and never gives up. The affirmation of the "M" symbol is a representation of the aspirations, optimism, opportunities, and ideals of the Indonesian people as well as the desire to build a better and more prosperous future for the family and nation. The series of warm colors symbolize the energy and spirit of Bank Mega, new ideas and comprehensive financial solutions for customers and Bank Mega people. The transformation of Bank Mega's new logo and slogan is a reflection of the spirit of all elements of Bank Mega in realizing Indonesia's ideals. All elements of Bank Mega agreed to realize these ideals and will be able to provide the best for the Indonesian people.

In 2016, Bank Mega was appointed as one of the gateway banks by the Government to receive and manage repatriated funds for taxpayers in the tax amnesty program. Bank

Mega has its head office in Menara Bank Mega Jakarta. Until now, Bank Mega is still a bank whose ownership is 100% owned by Indonesian citizens, when the majority of businesses in the Indonesian financial sector are owned by foreign investors. Bank Mega has a vision of "Being the Pride of the Nation", while Bank Mega's mission is to create sustainable good relationships with customers through innovative banking services and synergies supported by an integrated ecosystem, professional human resources and the best organizational performance capabilities to provide added value high for all stakeholders.

3.2 Simple Linear Regression Test

Table 1. Simple Linear Regression Test

Model		Unstandardized Coefficients		Sig
		B	Std. Error	
1	(Constant)	-.570	3.925	.011
	Service Quality	.022	.135	.008

a. Dependent Variable: Satisfaction Level

b.

The results show that service quality has a positive and significant effect on the satisfaction level of credit card customers. Customer service is very important for the life of a company, because without customers, there will be no buying and selling transactions between the two. For this reason, the company's service activities must be oriented to customer satisfaction. The quality of employee service to customer satisfaction can contribute to the company in increasing its long-term income is the extent to which the company's or organization's ability to serve or provide maximum service to its customers in a systematic and programmed manner does not violate ethical values in a business.

IV. Conclusion

The results show that service quality has a positive and significant effect on the satisfaction level of credit card customers.

The suggestions in this research are:

1. Bank Mega must be able to maintain and improve customer assurance and empathy with various other businesses, because this variable is a variable that has a significant effect on Bank Mega's customer satisfaction. While the other three variables, namely tangibles, reliability, and responsiveness, can be further improved so that they can become supporting factors and influence the customer satisfaction variable which will certainly increase the number of customers at Bank Mega.
2. Quick response in dealing with any complaints or complaints from customers, so that customers feel served and satisfied, because the good image of the company depends on the customer's assessment of the services provided by the company, therefore any mistakes should be quickly resolved so as not to drag on and not disappoint customers.
3. Customers should really be served well, politely and friendly so that there is effective communication to both parties.

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