

CHAPTER I

INTRODUCTION

1.1 Research Objective Overview

1.1.1 Company Profile

Bank BTPN is a foreign exchange bank and is a merger between PT. Bank Tabungan Pensiunan Nasional Tbk (BTPN) and PT. Bank Sumitomo Mitsui Indonesia (SMBCI). Bank BTPN is focusing to serve the mass market segment comprising retirees, micro-, small- and medium-enterprises (MSME) and mass market; the consuming class segment; and corporate segment. (SMBC, 2021).

The business focuses are supported by Bank BTPN business units including BTPN Sinaya – a financing business unit, BTPN Purna Bakti – a business unit focusing to serve retirees, BTPN Mitra Usaha Rakyat – a business unit focusing on micro businesses, BTPN Mitra Bisnis – a business unit focusing on serving small and medium enterprises, BTPN Wow! – a financial inclusiveness focusing on the unbanked segment, Jenius – a digital banking platform serving the consuming class segment, and a corporate business unit that focuses on serving national, multinational and Japanese companies. (Cermati.com, 2021).

BTPN also has a subsidiary namely the BTPN Syariah which focuses on serving customers from the mass market. Through the Daya Program, which is a sustainable and measurable empowerment program for the mass market, Bank BTPN regularly gives training and information to improve the customers' capacity so they can grow and have a chance to live better. (BTPNSyariah, 2021).

Like the two inseparable sides of a coin, the empowerment program is an integrated element in our business model. Through our all products and activities, Bank BTPN always tries to create opportunities for our customers to develop and live a more meaningful life (BTPNSyariah, 2021).

1.1.2 Company Logo



Figure 1. 1 BTPN Logo

Source: btpn.com

1.1.3 Vision and Mission

Vision:

“To be the bank of choice in Indonesia, which can provide meaningful changes in the lives of millions of people, especially with the support of digital technology.”

Mission:

“Offering comprehensive financial solutions and services to various retail, micro, SME and corporate business segments in Indonesia, as well as to the Nation and the State of Indonesia as a whole; Providing valuable opportunities for the professional growth of Bank BTPN employees; Creating significant and sustainable value for stakeholders including the People of Indonesia; Utilizing technological innovation as the main differentiator to provide the best quality and experience in its class to customers and partners of Bank BTPN.”

1.2 Research Background

Banking developments in Indonesia are now expanding, thus creating intense competition between banks and banks. Government banks and private banks in Indonesia are competing to maintain their relationship with old customers and find new customers for the development of banking companies. Competition in marketing bank products both savings and loans raises new ideas for banking companies to compete to market their products to attract customers. All banking companies always maintain relationships with customers by improving the quality of service to obtain customer or customer satisfaction.

Customer satisfaction according to Dwyer in (Halsey, 2003, p. 78) is the feeling gained when customers find benefits that can satisfy desires. The quality of service is very important to satisfy the customers of banking companies and meet the needs of customers. The quality of service is the unity of the characteristics of goods or services by relying on its ability to try to meet the stated needs. The quality of service is a form of assessment of a service offered by the company both from excellence, fulfilment of customer needs, and attitude of banking employees towards customers.

If the quality of service in the company is improved can affect customer satisfaction such as the results of (Hadianti, 2019) which states that the quality of service affects customer satisfaction by 61.5%, also the results of (Qonita, 2019) which states that the quality of service affects customer satisfaction, and (Sadiqin, 2018) which states that the quality of service affects customer satisfaction. One of the foreign exchange banks in Indonesia is PT. Bank Tabungan Pensiunan Nasional, Tbk (Bank BTPN) which is the result of the merger of PT. Bank Tabungan Pensiunan Nasional Tbk (BTPN) with PT. Sumitomo Mitsui Bank of Indonesia (SMBCI). Bank BTPN focuses on serving the mass market segment consisting of pensioners, micro, small and medium enterprises (MSMEs), productive poor communities; consuming class segment; and the corporate segment.

The business focus is supported by Bank BTPN's business units, namely BTPN Sinaya-funding business unit, BTPN Purna Bakti-business unit that focuses on serving retired customers, BTPN Mitra Usaha Rakyat-business unit that focuses

on serving micro-businesses, BTPN Bisnis-business units that focus on serving small and medium enterprises, BTPN Wow!-Laku Pandai products that focus on unbanked segments, Jenius-digital enterprise platforms for consuming class segments, and corporate business units focused on serving large national, multinational, and Japanese companies (btpn.com).

Bank BTPN in serving its customers has opened branches in a number of cities in Indonesia, one of which is in Banjarmasin under the name of PT. Bank tabungan pensiunan nasional, Tbk Banjarmasin branch (Bank BTPN Banjarmasin). One of the flagship products of Bank BTPN Banjarmasin is Tabungan Citra Pensiun, especially for retired Civil Servants (PNS). The realization of the opening of tabungan citra pensiun account for the last four years at Bank BTPN Banjarmasin is as follows:

Table 1. 1 Realization of account opening Tabungan Citra Pensiun

Year	Account opening plan	Relization of account opening tabungan citra pensiun	Percentag e
2017	720	667	93%
2018	720	648	90%
2019	700	976	139%
2020	750	347	46%
Total	2.890	2.638	91%
Average	722,5	659,5	

Source: Bank BTPN Banjarmasin, 2021

Based on Table 1.1 above, the realization of account opening for the last four years is 2,638 from the target of 2,890 or 91%. The highest retirement savings account opening occurred in 2019 at 139%, while the lowest in 2020 was 46%. The percentage of achievements when viewed from 2017 to 2020 there is an up and down trend, also in the realization of the increase and decrease in the opening of new retirement image savings accounts. The realization that has not been achieved for the last four years amounting to 9% or 252 savings books of Tabungan citra

pensiun that has not been achieved means that Bank BTPN Banjarmasin has not realized 252 customers to open a new account Tabungan citra pensiun.

Customers who open a new account Tabungan Citra Pensiun can affect their income and increase the number of customers at Bank BTPN Banjarmasin. The increase in savings opening at Bank BTPN Banjarmasin in 2019 is a distinct advantage for Bank BTPN because with customer satisfaction it is able to maintain the balance of savings increase even though the realization of account opening Tabungan Citra Pensiun is reduced as in 2020.

Based on the initial interview to one of the pension citra savings customers at Bank BTPN Banjarmasin said that at the beginning of the month the queue of customers is quite long while the middle and end of the month are quite. Seats outside the parking lot to queue are not comfortable for parents, while the queue in the service room is quite comfortable. Customer complaints for facial authentication applications often experience errors so that sometimes retired customers fail to take pension money (Customer initial interview, 2021).

Customers who are not satisfied with Bank BTPN Banjarmasin may not recommend others open an account at Bank BTPN Banjarmasin. According to Kotler & Keller (2016:73), one indicator of satisfied customers on the company's service is willing to recommend to others. The willingness of BTPN Banjarmasin Bank customers to recommend savings service products to friends or family may be one of the factors in the decrease in account opening at Bank BTPN Banjarmasin.

Initial observation of the condition of Bank BTPN Banjarmasin that employees who are always at the customer service desk are two tellers, two costumer service people, two security guards near the entrance, one security guard at the gate post. Employees of Bank BTPN Banjarmasin all wear uniforms. The floor, equipment and fixtures look clean. Bank BTPN Banjarmasin customers are relatively elderly so more attention is needed from employees of Bank BTPN Banjarmasin. There are seats queuing in the parking lot to prevent crowds, there are long sofa seats as seats for customers to queue in the service room, and there are also wheelchairs available for customers who cannot walk.

In the study, researchers selected 20 customers to be respondents to see customer satisfaction at Bank BTPN Banjarmasin. According to Borg and Gall (2007: 176) a sample of 15-30 respondents was needed in an experimental study. So that in this initial study, 20 customers can be used as population representatives at Bank BTPN Banjarmasin.

Based on the initial survey to 20 customers of Bank BTPN Banjarmasin about customer satisfaction are as follows:

Table 1. 2 Initial Survey Result of Bank BTPN Banjarmasin Customer

No	Faktor	Responden	Persentase
1	Using Bank BTPN's services again	12	60%
2	Recommending Bank BTPN services to others	2	10%
3	Service as expected	4	20%
4	Customers never complain	2	10%

Source: Primary data, 2021

Based on the initial survey of customers at Bank BTPN Banjarmasin that 60% expressed their opinion that they will use Bank BTPN's services again because retirement savings have been registered with Bank BTPN for a long time, 20% stated that the service is as expected by the customer, and another 4% of customers recommend to others and never complain. Based on the results of this initial survey, it can be said that the percentage of customers using Bank BTPN is again high because it is tied to the savings book of pensioners who have registered, while other factors are recommending to others, the service and customers do not complain the percentage is still low. Of course, customer satisfaction is inseparable from the quality of service performed so far. According to (Moenir, 2016, p. 90) service is the key to success in various businesses or activities that are service, and explained again by Lewis &Booms (Tjiptono, 2017) that the quality of service can be interpreted as a measure of how good the level of service provided is able to match customer expectations.

The quality of service according to (Tjiptono & Chandra, 2016, p. 137) is tangible, reliability, responsiveness, assurance, and empathy. Tangible is the ability of a company in showing external parties the extension of the company and one of the indicators tangibel is equipment. Queue seating in the parking lot to prevent

crowds during the Covid-19 pandemic was complained by retired customers. The ability of Bank BTPN Banjarmasin in providing seats for retired customers in the outside parking lot may have a negative impact on bank BTPN companies. The negative impact may affect the realization of taspen account opening achievement in 2020 decreased because its customers are not satisfied. This statement is relevant to result (Qonita, 2019), (Alawiyah, 2019), (Kusumah, 2020), (Sadiqin, 2018) stated that tangible affects customer satisfaction.

Reliability is the ability of a company to provide services that are in accordance with the promise given to customers accurately and reliably. Speed of service time for all customers without mistakes, sympathetic attitude, and with high accuracy in accordance with customer expectations that can improve customer satisfaction (Tjiptono & Chandra, 2016, p. 137). Bank BTPN Banjarmasin at the beginning of the month there was a long queue. Also based on the observation of the employee who handled is also limited.

The speed of handling retired customers became disrupted due to the large number of customers at the beginning of the month and the limited employees of Bank BTPN Banjarmasin. Service speed is one of the supporting indicators of reliability of service quality. If the speed of customer handling is disrupted, it may affect customer satisfaction with Bank BTPN Banjarmasin. (Qonita, 2019), (Alawiyah, 2019), (Kusumah, 2020) stated that reliability affects customer satisfaction.

Responsiveness is the ability of existing employees to help customers in providing solutions to problems faced by employees and provide the best service that can be done that can improve customer satisfaction (Tjiptono and Chandra, 2016:137). Customers complain of facial authentication applications that often experience errors so that sometimes retired customers fail to take pension money. Responsiveness is the ability of Bank BTPN Banjarmasin employees to help customers to be successful but because of limited employees can be slow response from employees.

Helping customers to solve the problem is the persistence of employees of Bank BTPN Banjarmasin. However, there are still customers who complain about

the application of authentication face so that the pensioners fail to take the pension money and this can affect customer satisfaction. (Qonita, 2019), (Alawiyah, 2019), (Kusumah, 2020), (Sadiqin, 2018) stated that responsiveness affects customer satisfaction.

Assurance is a factor that supports the growth of customer confidence in the company, such as knowledge, manners, and the ability of the company's employees to improve customer satisfaction (Tjiptono & Chandra, 2016, p. 137) Employees of Bank BTPN Banjarmasin provide the best service to customers even with a limited number, but because the majority of bank BTPN Banjarmasin customers are getting old so that more handling and attention is needed by providing wheelchairs, as well as security guards to help customers, and also customer transactions are always smooth. This is a safety factor that supports the growth of customer trust in Bank BTPN Banjarmasin so that customer satisfaction occurs. (Qonita, 2019), (Alawiyah, 2019), (Kusumah, 2020), (Sadiqin, 2018) stated that assurance affects customer satisfaction.

Empathy is a sincere and individualized attention given to customers by trying to understand what customers want (Tjiptono & Chandra, 2016, p. 137). Bank BTPN Banjarmasin must have understanding and knowledge about customers, understand, specific customer needs, and have a comfortable operating time for customers that can improve customer satisfaction. There are customers who fail to take pensioner money because they fail to authenticate the face that should be repaired by Bank BTPN Banjarmasin quickly so that customers are not disappointed. Also, bank BTPN Banjarmasin customers complain about seats in the outside yard that are not comfortable for parents who should be able to provide solutions quickly. Bank BTPN Banjarmasin's attention and understanding of customer complaints can make customer satisfaction decrease. (Qonita, 2019), (Alawiyah, 2019), (Kusumah, 2020) stated that empathy affects customer satisfaction.

Based on the phenomena that occurred at Bank BTPN Banjarmasin about the quality of service to customer satisfaction so far that is linked to the theory and results of previous research, the researchers want to analyze more deeply how the

quality of service and customer satisfaction conducted so far, as well as whether the quality of service affects customer satisfaction at Bank BTPN Banjarmasin with the title "The Effect of Service Quality toward Satisfaction on Retired Customers at Bank Retirement Savings (BTPN) in Banjarmasin City."

1.3 Problem Formulation

Based on the background of the problem that there is a fundamental need for the quality of banking services. This need has certainly been provided by banking service providers. along with the development due to the change in customer satisfaction needs, there is also intense competition between banks. this can be used as a reference material for banks to provide good quality service and in accordance with customer expectations so that customers can be satisfied with the services provided. In the quality of service there are several variables that can be a benchmark of customer satisfaction, one of the benchmarks is with

Tangible is the ability of Bank BTPN Banjarmasin in showing external parties the extension of the company. Queue seating in the parking lot to prevent crowds during the Covid-19 pandemic was complained by retired customers. Reliability is the ability of a company to provide services that are in accordance with the promise given to customers accurately and reliably. Bank BTPN Banjarmasin at the beginning of the month there was a long queue. Also based on the observation of the employee who handled is also limited.

Responsiveness is the ability of existing employees to help customers in providing solutions to problems faced by employees and provide the best service that can be done that can improve customer satisfaction. Customers complain of facial authentication applications that often experience errors so that sometimes retired customers fail to take pension money. Responsiveness is the ability of Bank BTPN Banjarmasin employees to help customers to be successful but because of limited employees can be slow response from employees.

Assurance is a factor that supports the growth of customer confidence in the company, such as knowledge, manners, and the ability of the company's employees who can improve customer satisfaction. Employees of Bank BTPN Banjarmasin

provide the best service to customers even with a limited number, but because the majority of bank BTPN Banjarmasin customers are getting old so that more handling and attention is needed by providing wheelchairs, as well as security guards to help customers, and also customer transactions are always smooth.

Empathy is a sincere and individualized attention given to customers by trying to understand what the customer wants. There are customers who fail to take pensioner money because they fail to authenticate the face that should be repaired by Bank BTPN Banjarmasin quickly so that customers are not disappointed. Also, bank BTPN Banjarmasin customers complain about seats in the outside yard that are not comfortable for parents who should be able to provide solutions quickly.

The formulation of research questions aims to clarify the problem and uncover the problem in more detail to find answers to the questions to be studied. Based on this goal, the study authors asked the following questions:

1. Does tangible affect costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City?
2. Does reliability affect costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City?
3. Does responsiveness affect costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City?
4. Does assurance affect costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City?
5. Does empathy affect costumer satisfaction at Bank Tabungan Pensiunan (BTPN) In Banjarmasin City?

1.4 Research Objectives

Based on the background and problem formulation, the research aims to:

1. To find out tangible influence on costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City.
2. To find out reliability affects costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City.

3. To find out responsiveness affects costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City.
4. To find out assurance affects costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City.
5. To find out empathy affects costumer satisfaction at Bank Tabungan Pensiunan Nasional (BTPN) In Banjarmasin City.

1.5 Benefit of Research

Based on the above problem formulation, the purpose of this research is to analyse what factors affect customer satisfaction to Bank BTPN Banjarmasin Branch, as well as to know the quality of services provided by Bank BTPN Banjarmasin Branch and find out how much the effect of service quality on customer satisfaction at Bank BTPN Banjarmasin Branch. This research is expected to get input or advice from Bank BTPN Banjarmasin Branch to improve Retired customer satisfaction with the quality of service.

1.6 Systematics of Writing Final Task Reports

In this study, the systematics of writing is divided into five chapters, which will be described as follows:

CHAPTER I: INTRODUCTION

This chapter contains an overview of research objects, research background, problem formulation, research objectives, research usefulness, benefit of research, and systematics of writing final task reports.

CHAPTER II: LITERATURE REVIEW

In this chapter discussed about theories related to research variables, namely marketing management, service understanding, service quality and customer satisfaction. In addition, the results of previous research, conceptual frameworks and research hypotheses were also presented.

CHAPTER III: RESEARCH METHODS

In this chapter is discussed about research types, variable operations, populations and samples, data collection techniques and data analysis techniques.

CHAPTER IV: RESEARCH RESULTS AND DISCUSSION

This chapter contains the results of research and discussion. The results of the study were characteristics of respondents, respondents' responses to research variables, validity tests and reliability tests, analysis of multiple linear regression equations and testing hypotheses. The discussion contains an explanation of the results of research on the relationship of service quality to customer satisfaction.

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

This chapter contains the conclusions of research results and hypothetical conclusions, as well as suggestions given both for Bank BTPN Banjarmasin and for further research.