



Responsiveness, Customer Relationship Management, Confidence and Customer Loyalty

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Abstract

The aims of this research were to determine the effect of responsiveness, customer relationship management, corporate image and confidence on customer loyalty. The quantitative approach is implemented in this research. The method of research surveys on 400 customers is taken by proportional random sampling and questionnaire as an instrument of research. Findings signify that: 1) responsiveness brings positively direct effect on confidence, 2) customer relationship management shows positively direct effect on confidence, 3) corporate image brings positively direct effect on confidence, 4) responsiveness has positively direct effect on customer loyalty, 5) customer relationship management give positively direct effect on customer loyalty, and 6) confidence has positively direct effect on customer loyalty.

Keywords: responsiveness, customer relationship management, corporate image, confidence, customer loyalty

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1. Introduction

Among the Indonesian banking business into 2010 seems optimistic to move the wheels of their businesses. This is also supported by the recovery of the global economy as indicated by the improving US economy and the Japanese economy and the continued strength of emerging market countries such as China and India, will have an impact on the continuing improvement of the economy of Indonesia. Import export performance is expected to continue to increase in line with rising global demand.

On the other hand, household consumption will increase in line with the improving purchasing power of people and continues to be the motor of economic growth. Investment activity continues to increase, especially in the infrastructure sector. Since the year 2009, said that the development of banking in Indonesia already indicates a recovery after the global crisis that took place in mid-2008 (SPI 2010: 4-8). It is characterized by the growth of assets, loans and third party funds (DPK) of banks in the period from June to December 2009, which is relatively higher than the first half of 2009.

Bank Indonesia is expected to again increase its role as an intermediary institution optimally with the momentum of recovery from the financial crisis. Many, especially among the business community and the government expects banks greater contribution in moving the economy.

Throughout 2009, many people assessing banks less than optimal in the intermediation function. It is based on an assessment of the various parties that banks implement the strategy of high-interest rates in order to maintain profitability.

Similarly happened in PT. BPR Bank Eka Bumi Artha who today became one of the pillars supporting the development of regional autonomy in Lampung Province, where the bank also serves as a regional bank best in Lampung with human resources quality and integrity tested, The efforts that have been made Eka Bank Bumi Artha them promote both savings products, efforts to increase the quality of service, provide ease of transaction and improve responsiveness in handling complaints and the provision of attractive interest rates. Thus, the product has a free and flexible positioning statement, as well as showing emotional and rational benefits, which is in the product.

Based on preliminary research, it is known that the growth in deposits at Bank Bumi Artha Eka Lampung fluctuated with a fairly large interval. This condition indicates that Bank Bumi Artha Eka has been trying to maintain existing customers and find new customers to strengthen customer base. In order to maintain customer loyalty in line with the results of Drake [1]. The banking industry that there is a causal relationship is very positive and highly significant correlation between earnings growth and the ability to obtain a bank based on customer loyalty.

Further stated Bramson, that the cost to acquire new customers at least five times greater than the cost of retaining an existing customer [2]. This condition is also in line with the opinion of the Soegoto [3] who states that the maintenance of customer loyalty that existed at this time is

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an important factor to improve the earnings performance of a company. While the increase in deposits at the Bank Eka Bumi Artha Lampung an increase from 2009 to 2010, but based on the data of the Bank's customers Eka Bumi Artha Lampung from 2005 to 2011 to obtain information that the number of customers has increased from year to year, but in 2009 decreased, and increased again in 2010 and 2011.

For banks, that collect funds from savings, banks should be able to provide high satisfaction to its customers, such as by providing savings products that suit the needs and desires of consumers, satisfactory service, the number of networks provided to facilitate customers visiting branches, and others that reflect a differentiation strategy or by offering attractive interest rates for customers who reflect the cost leadership strategy. This approach is very closely related to the business of the company to meet and satisfy the needs and desires of customers. Excellence in satisfying the customer will relate to customer loyalty.

It is expected the customer will make a purchase repeatedly and become a loyal customer, so that the objectives of the company, in general, is to maximize profits, increase market share, and increase the growth rate of sales volume. Relation customers (customer relationship) is a bond (bond) or connection (connection) between a bank (company) and customers (customer) was, in the form of business relation or exchange (exchange relationship) which can include benefits: emotional, social, and the psychological and financial.

Banks can implement some of the strategies and tactics or program relation customers. Zeithaml states that *"The specific strategies and tactics used by firms to build relationships and tie customers closer to the firm Four types of a retention tactics idea: financial bonds, social bonds, customization bonds, structural bonds"* [4]. There are four types of tactics defend (retention) or relation (relationship) customers that may be implemented in accordance with the capability of each bank are: (1) bond financial (financial bonds), (2) social cohesion (social bonds), (3) ease of bonding (customization bonds), and (4) structural bonding (structural bonds).

In the context of customer loyalty bank, especially at Bank Bumi Artha, looks got various influences such conditions increasingly competitive banking, the pressure of inflation and high interest rates, responsiveness (responsiveness) of bank employees, customer relationship management, corporate image (corporate image) as a system of values that the perceived meaning by all members of the organization, as well as confidence (confidence) to support the growth of a bank, and so on. In addition, it also cannot be denied, that inside every employee there is still a strong desire or dedication of employees to increase customer loyalty.

Due to competition among banking companies faced by banks is quite high, especially when viewed from consumer dissatisfaction on the performance of services, the low level of growth in the number of savings, and still have a complaint dissatisfaction (dissatisfaction) to the alertness, confidence, and reliability of service savings it is necessary

to evaluation through research on responsiveness, customer relationship management, corporate image, and confidence in relation to customer loyalty.

Based lasting rear and the conceptual framework above, it has carried out research aimed to test the hypothesis: (1). There is a direct effect of the positive responsiveness to the confidence, (2) there is a direct effect of the positive customer relationship management to confidence, (3) there is a direct effect of the positive corporate image to confidence, (4) there is a direct effect of the positive responsiveness to customer loyalty, (5) there are significant positive direct customer relation management to customer loyalty, and (6), and there is a direct positive effect on customer loyalty confidence.

2. Methodology

The research approach is a quantitative approach with survey method. The experiment was conducted in May to November 2013 in the province of Lampung. Responsiveness is a constellation of research defined as exogenous, customer relation management exogenous variables, exogenous variables corporate image, confidence exogenous variables for customer loyalty, but as an endogenous variable for responsiveness, customer relation management, and corporate image.

The target population is all customers of Bank Bumi Artha Eka in Lampung Province, and the population is savings customers Eka *affordable save* as much as 34.431. The sample used by 400 clients and determining sample by proportional random sampling. The following are sample proportional distribution of each branch.

The instrument used in this study is multiple choice with five alternative options and using Likert scale models for variable responsiveness, customer relationship management, corporate image, confidence, and customer loyalty. Preparatory steps instruments are: (1) develop the dimensions and indicators, (2) preparing instruments, (3) testing the validity and reliability, (6) the revised instrument, (7) finalization, and (8) of data collection.

Testing the validity of the instrument using the correlation bi-serial (and reliability testing using internal consistency reliability coefficient. To scale responsiveness, customer relationship management, the scale of confidence, and scale customer loyalty, testing the validity of using coefficient "Product Moment Person" and reliability testing using the coefficient "Cronbach's Alpha" [5].

Data analysis techniques including analysis of descriptive statistics, inferential statistics, for the linearity test, test significance and for multivariate statistical regression using path analysis (path analysis). Processing and data analysis using Microsoft Excel, SPSS and LISREL.

3. Research Results

Prior to the data analysis, the necessary testing requirements analysis as follows:

Table 1. Excited Sates in Ethylene

No.	Error Estimated Regression	Lrithmetic	Table	Decision	Conclusion
1	X1 to X4	0,051	0,052	H0 Acceptable	Normal
2	X2 to X4	0,046	0,052	H0 Acceptable	Normal
3	X3 to X4	0,050	0,052	H0 Acceptable	Normal
4	X1 to X5	0,049	0,052	H0 Acceptable	Normal
5	X2 to X5	0,050	0,052	H0 Acceptable	Normal
6	X4 to X5	0,043	0,052	H0 Acceptable	Normal

3.1. Test Requirements and Significance Linearity Regression Analysis.

The results of this test are used to determine the relationship between variables with the requirement that each variable must have a linear relationship and the significance of regression.

Table 2. Summary of Test of Requirements and Significance Linearity Regression.

Variable	Sig. Regression		Significance of Regression	Linearity Regression		Linearity Regression
	F _{arithmetic}	F _{table}		F _{arithmetic}	F _{table}	
X ₄ on X ₁	741,89	3,86	Significant	0,26	1,46	Linearity
X ₄ on X ₂	587,99	3,86	Significant	0,65	1,50	Linearity
X ₄ on X ₃	26,94	3,86	Significant	0,36	1,54	Linearity
X ₅ on X ₁	531,16	3,86	Significant	0,75	1,46	Linearity
X ₅ on X ₂	86,93	3,86	Significant	0,21	1,50	Linearity
X ₅ on X ₄	516,80	3,86	Significant	0,10	1,46	Linearity

3.2. Path Coefficient Calculation Results, t value.

After the test requirements analysis is done, the next is to do the calculations and test each path coefficients as presented in the following table:

Table 3. Summary of Results of the Path Coefficients

No.	Variable	Path Coefficients (ρ)		Decision	Conclusion
		SLF*	t _{arithmetic}		
1	X ₁ to X ₄	0,28	6,92	H ₀ Unacceptable	Significant
2	X ₂ to X ₄	0,12	2,84	H ₀ Unacceptable	Significant
3	X ₃ to X ₄	0,54	12,25	H ₀ Unacceptable	Significant
4	X ₁ to X ₅	0,16	3,57	H ₀ Unacceptable	Significant
5	X ₂ to X ₅	0,66	16,13	H ₀ Unacceptable	Significant
6	X ₄ to X ₅	0,11	2,57	H ₀ Unacceptable	Significant

Coefficient of Sub-Structure Line 1, model path coefficient analysis sub-structure 1 is expressed in the form of

equation $X_4 = \rho_{41}X_1 + \rho_{42}X_2 + \rho_{43}X_3 + \epsilon_1$. This test will provide decision-making hypothesis testing 1, 2, and 3:

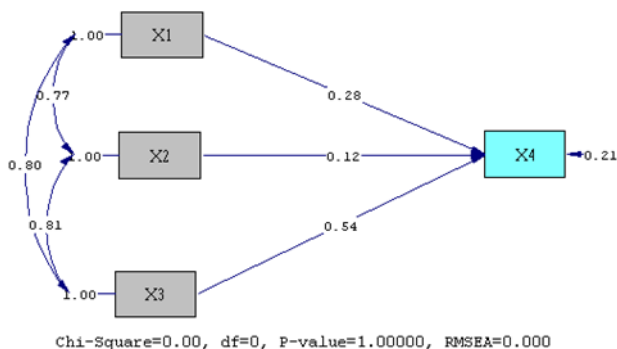


Figure 1. The coefficient of Sub-Structure Line 1

Based on the testing sub-structure 1 obtained by the path coefficient (ρ_{41}) of 0.28 and a value of $t = 6.92 > t$ table $(0.05: 400) = 1.96$, H_0 is rejected and the path coefficient ρ_{41} is significant, meaning that responsiveness direct effect positively to the confidence. Path coefficient (ρ_{42}) of 0.12 and a value of $t = 2.84 > t$ table $(0.05: 400) = 1.96$, H_0 is rejected and the path coefficient (ρ_{42}) is significant, customer relationship management means positive direct effect on confidence, Path coefficient (ρ_{43}) of 0.54 and a value of $t = 12.25 > t$ table $(0.05: 400) = 1.96$, H_0 is rejected and the path coefficient ρ_{42} is significant, meaning that corporate image positive direct effect on confidence.

Coefficient of Sub-Structure Line 2

Model path coefficient analysis sub-structure 2 is expressed in the form of the equation $x_5 = \rho_{51}X_1 + \rho_{52}X_2 + \rho_{54}X_4 + \epsilon_2$. This test will provide the decision-making tests of hypotheses 4, 5, and 6.

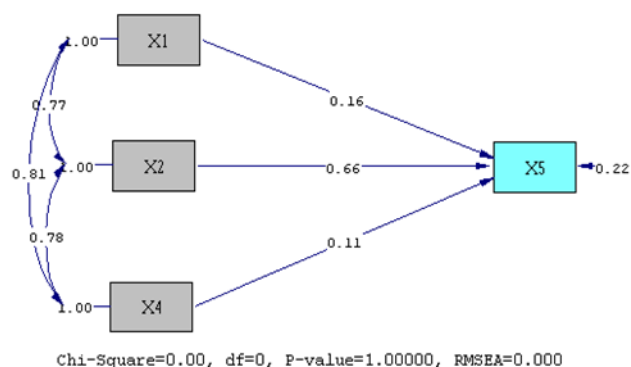


Figure 2. Coefficient Line Sub-Structure 2

Based on the testing sub-structure of the two coefficient lines (ρ_{51}) of 0.26 and a value of $t = 4.78 > t$ table $(0.05: 280) = 1.96$, H_0 is rejected so that the path coefficient (ρ_{51}) is significant. This means that the responsiveness positive direct effect on customer loyalty. Path coefficient (ρ_{52}) of 0.66 and a value of $t = 16.13 > t$ table $(0.05: 400) = 1.96$, H_0 is rejected so that the path coefficient (ρ_{52}) is

significant. This means that the customer relation management a positive direct effect on customer loyalty. Path coefficient (ρ_{54}) of 0.11 and a value of $t = 2.57 > t$ table $(0.05: 280) = 1.96$, H_0 is rejected so that the path coefficient (ρ_{54}) is significant. This means that confidence positive direct effect on customer loyalty.

Based on the calculation of the path coefficient and t-value for the purposes specified hypothesis testing, showed that all path coefficients > 0.05 and t-value > 1.96 , so H_0 is rejected and all lanes are significant.

4. Discussion

4.1. Responsiveness Direct Impact Gains Confidence.

The results showed that the responsiveness positive direct effect on confidence. That is explained by the high and low confidence responsiveness. The amount of the contribution that directly affect the responsiveness positively to the confidence of 7.84%.

Effect of responsiveness to the confidence shown by the path coefficients was categorized as relatively low. This is because customer confidence will be influenced by the responsiveness of a bank officer. Responsiveness provided by a bank officer is also not good and has a weakness. The alertness of employees in serving customers also does not meet the elements contained in the variable responsiveness, such as speed of service, punctuality and willingness to help customers. Given the difficulties in the speed of handling customer complaints in the transaction, the bank is also facing competition with other banks owned by the government.

According to Nerver and Slater in Sosiantara [6], the market's competitive strategy as the organization's culture is the most effective strategy in creating a behaviour to create superior value for buyers as well as the performance of the business. Companies must adapt and innovate continuously. Because customer needs and expectations continue to evolve over time, therefore it must be followed and responded by generating services and high-quality service continuously to changing market requirements into competitive strategy market.

4.2. Customer Relationship Management Direct Impact Gains Confidence.

The results showed that customer relationship management a positive direct effect on confidence. This means that the high and low confidence can be explained by customer relationship management. The coefficient of relationship management customer path toward confidence by 1.44%.

Effect of customer relationship management to the confidence shown by the path coefficients of that categorized as very low. This is due to the formation of consumer confidence on relation customer management, especially of factors means used, for instance, reliability of the technology means that the most important part of the

management relation customer gets fierce competition mainly from large banks and government banks. This condition will be resolved if the bank has the reliability and integrity in treating and retaining customers by using a good strategy for communicating with customers.

According to Limakrisna [7] and Doane [8], relation customer has two important elements, namely, trust (confidence) and commitment. Relation customers created by their belief in yourself customers (confidence) and commitment to customers, so that customers will eventually awaken confidence on services provided by the bank.

4.3. Corporate Image Direct Impact Gains Confidence.

The results showed that the corporate image of a positive direct effect on confidence. This means that the high and low confidence can be explained by the corporate image. The magnitude of the coefficient paths towards confidence corporate image by 29.16%.

The influence of corporate image on the confidence shown by the path coefficients was considered quite large. This condition can occur due to the company's image will affect customer confidence. Confidence can happen when companies have a good image. Because a good image will have a distinct impression for customers who use the company's services.

According to Roose De Verue, in Sutoyo [9] that the image is the overall impression created by the organization to the public through a variety of products and services, the various policies, activities and various advertising efforts. The company's image will be formed and the company's presence will be embedded into the minds of customers and will be distinguished from other companies.

Dwyer et al, in Herman [3], Fox and Stead, and Morgan and Hunt in Ahmad [10], also argued that the conviction and commitment to building relationships shared between service providers and service users. The service user will have confidence when service providers are trustworthy and provide value / reward commensurate with the cost. It is closely related to the company's image which is the whole of a person's perception is one thing that is formed through a process of information obtained from various sources.

4.4. Responsiveness Influential Direct Positive Result against Customer Loyalty.

The results showed that the responsiveness positive direct effect on customer loyalty. That is the level of customer loyalty can be explained by responsiveness. The magnitude of the coefficient paths of responsiveness to customer loyalty, or approximately 2.56%.

The influence responsiveness to customer loyalty demonstrated by the path coefficients was categorized quite small. This condition can occur because, in addition to responsiveness, customer loyalty is also influenced by other factors, such as confidence and image of company.

This finding agrees with the results of research Lei and Mac [11] which uses the dimensions of service quality, responsiveness significant effect on customer loyalty. It is said that the rise and fall of loyalty services, influenced by the responsiveness. In addition, according to research Khaeril et al [12] shows that there is influence between service quality dimensions of responsiveness towards customer satisfaction and loyalty.

4.5. Customer Relationship Management Direct Impact of Customer Loyalty.

Positive Results showed that customer relationship management a positive direct effect on customer loyalty. This means that the high and low customer loyalty is explained by customer relationship management. A number of contributions customer relationship management that directly affect customer loyalty positively to 43.56%.

Effect of customer relationship management on customer loyalty demonstrated by the path coefficients are categorized quite large. It happens because the customer relation management applied by the bank, including processes and technologies, focused on the interests of customers. Management shed all his attention to pampering the consumer through the elements that exist in the management relation customers, both concerning the human element as well as those related to the elements of technology.

The results are consistent with the statement of John John, which examines the relationship between the five dimensions of partial and simultaneous with customer loyalty significantly. In addition to dealing positively, impact or influence customer relationship management on customer loyalty proved positive. Customers relation management includes the understanding that the characteristics of the customers are essentially one another is not the same. Differences that it covers many things, including cultural background, desire, purchase behaviour and of course the potential to deliver benefits. Because customers are different, then the way to manage relation with each customer is also different.

4.6. Confidence Gains Influential Direct Customer Loyalty.

The results showed that confidence positive direct effect on customer loyalty. This means that the high and low customer loyalty bias is explained by confidence. The coefficient of confidence path to customer loyalty is at 1.21%.

Influence on customer loyalty confidence shown by the path coefficient was relatively small. It happened because the confidence is formed by factors from outside customers. Its services both in this bank do not need to be seen from the results alone, but also must pay attention to the process of service delivery itself. The process implemented by management in influencing the customer's bank was less good.

The results of this study is slightly different from the statements Soegoto [3], which states that confidence or

belief has a positive influence on the increase loyalty customer. Constitute activities directly related to the public and is one measure of the success of the services provided by the business services, Services is a packaging company that will develop and produce a sense of fanaticism customers, so that all service activities will be directed and focused on how to provide good service as desired by the customer. Because a good service is a service that can provide a sense of happy and confident about the company's services.

In addition, the activities of services must pay attention to the process of service delivery itself. Good services will always be remembered and cause consumer confidence to continue to use bank services. So that in time, the confidence of customers to the products and services produced by the company will generate a sense of loyal customers. This is in accordance with the opinion of Kusnayadi [13] who states that the trust (confidence) has a positive influence on the increase in customer loyalty, and strengthened by Henig-Thurau et al [14] in a study entitling "Understanding Relationship Marketing Outcomes: An Integration of Relational Benefits and Relationship Quality".

5. Conclusion

Based on the results of research and discussion, it can be concluded that:

- i. Responsiveness positive direct effect on confidence. If responsiveness is owned by employees getting better, then confidence customers to the bank's management also increase.
- ii. Customer relationship management a positive direct effect on confidence. If Customer relationship management is increased, then the customer confidence will also increase.
- iii. Corporate image direct positive effect on confidence. If the corporate image dilemma by customers getting better, then confidence customers also will be getting better.
- iv. Responsiveness positive direct effect on customer loyalty. This means that if the employee responsiveness to customers is increased, then the customer loyalty of the bank will also increase.
- v. Customer relationship management a positive direct impact on customer loyalty. This means that if the better customer relationship management, the customer loyalty will also be getting better.
- vi. Confidence direct effect positive on customer loyalty. This means that if the customer confidence customers getting better, then customer loyalty will also be getting better.

6. Suggestion

Based on the conclusions and implications of the research above, it can recommend some of the following:

- i. The banks need to improve the competence periodically concerning management principles relation customers to employees in accordance with the vision and mission of the organization. Due to the improvement of competencies of the employees, the understanding of the characteristics of customers by employees may be used to create opportunities for profit organization.
- ii. Development relation conducted by the bank should be done in the long term through increased duration of intercourse, frequency of intercourse, and the profitability of the relationship. Because the approaches were undertaken by employees proactively and relatively better, it will affect the behaviour of customers, so that customers become more loyal to the bank.
- iii. Giving briefing to the employees to have a high confidence to work being done through higher education. Because management relation did well by a bank officer in providing services to customers will form a positive image of the bank.
- iv. To socialize and instil an ongoing basis to the employees of the ministry. Because of the service desk is developed performance overview of the organization and employees, so that all service activities will be directed and focused on how to provide good services as may be required by customers and prospective customers.

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