The Influence of Customer Relationship Marketing and Service Quality on Customer Satisfaction with Brand Image as a Mediating Variable

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ABSTRACT

The banking sector plays a crucial role in a country's economy, with numerous banks in Indonesia providing consumers with various choices for their financial needs. This research aims to analyze: 1) the impact of customer relationship marketing on customer satisfaction, 2) service quality's influence on customer satisfaction mediated by brand image, 3) the link between customer relationship marketing and brand image, 4) the connection between service quality and brand image, 5) brand image's effect on customer satisfaction, 6) customer relationship marketing's indirect impact on customer satisfaction via brand image, and 7) service quality's indirect effect on customer satisfaction through brand image. This quantitative descriptive study involved 80 respondents and used SPSS 24 for analysis. The results revealed that: (1) Customer Relationship Marketing positively influences customer satisfaction, (2) service quality positively influences customer satisfaction through brand image mediation, (3) Customer Relationship Marketing has a positive impact on brand image, (4) service quality positively influences brand image, (5) brand image positively influences customer satisfaction, (6) Customer Relationship Marketing indirectly influences customer satisfaction through brand image mediation, and (7) service quality indirectly impacts customer satisfaction through brand image mediation. All variables in the study demonstrated a positive and significant influence, confirming their validity.

INTRODUCTION

The banking business has a very important role in the movement of a country's economy, because it is a sector that is able to develop rapidly and can support the national economy as well as play a major role in national development. Banking services are provided to support the smooth collection and distribution of funds to the community. On the other hand, banking services are a source of revenue for banks (Arthesa, Ade 2006).

The large number of banks in Indonesia means that consumers have many choices to determine which bank they will choose for their financial services. A company in its activities generally aims at customer satisfaction, according to (Kotler, P., 2013) marketing activities aim...
at consumer satisfaction, therefore every company is required to provide services that exceed those of competitors with the aim of attracting consumer interest and satisfaction. However, in reality, not all companies are able to provide services that consumers expect.

Based on ten customer complaints to BRI bank customer service in January 2023 and based on the results of customer interviews via telephone regarding customer satisfaction assessments in transactions at BRI KC Tabanan bank, the average customer stated that they were satisfied with the service provided, both service at the teller and service in customer service. However, recently there have been several customers who have come to customer service to express their complaints and dissatisfaction with BRI Bank because a lot of customers' money has been lost or their accounts have been compromised.

This encourages BRI to continue to invite its customers and all parties to prioritize vigilance in receiving messages in any form. So it is not easy to believe the contents of the message. BRI also always urges customers to be more careful and not to disclose the confidentiality of personal data and banking data to other people or parties on behalf of BRI, including providing personal data and banking data (account number, card number, PIN, user, password, OTP). Etc.) Through channels, links or websites with unofficial sources and the veracity of which cannot be confirmed.

According to (Kotler, Philip and Keller, 2007) consumer satisfaction is a person's feeling of happiness or disappointment that arises after comparing the performance (results) of a product in mind against the expected performance (results). Thus the level of satisfaction is a function of the difference between perceived performance and expectations. If performance is below expectations, customers will be disappointed. If performance meets expectations, customers will be satisfied. Meanwhile, if performance exceeds expectations, customers will be very satisfied. Customer expectations can be shaped by past experiences, comments from relatives and promises and information from marketers and competitors. Satisfied customers will be loyal longer, less sensitive to price and give good comments to the company.

One factor that influences satisfaction is customer relationship marketing (CRM). Customer relationship marketing plays an important role, in this case because customers must be given satisfactory service by considering them as business partners. At BRI Bank, to always maintain good relationships with customers, we always give appreciation in the form of direct souvenirs or prize draws every year to customers. For the lucky ones, there are lots of prizes in the draw, some of them can even get a car. This is given in the hope that customers who trust BRI Bank in managing their funds can feel more appreciated and make them comfortable in making business transactions with related companies, which indirectly will also the ability to attract new customers.

Apart from customer relationship marketing, what influences satisfaction is the quality of service and also the company's brand image. Service quality is the root and most important factor for satisfying customers, in this case related to word of mouth response behavior, for example complaints, recommendations, complaints, or transfers and exchanges (Sulistyawati, MNA, & Seminari, NK 2015). The quality of service at BRI Bank is an effort to provide comfortable waiting room facilities, fast transaction processes and even BRI Bank also offers low credit loan interest, so that the value obtained from customers is more or better than their expectations.

Bank BRI to maximize service to customers as one of the oldest government banks with the slogan "Serving with all my heart". Bank BRI has 4,447 work units, consisting of one head office, 12 regional offices, 12 inspection offices, 170 domestic branch offices, 145 sub-branch office, 1 special branch office, 40 cash payment offices, 3,705 BRI units and 357 village service posts. BRI Bank has a very extensive network so it must always provide maximum service to customers for business continuity during this time. In the current technological era, it is easier for customers to provide reviews of their experiences in receiving services at a company. These reviews can be a reference or benchmark in assessing customer perceptions of the products or services they receive from a company.

The development of banking has brought the BRI KC Tabanan bank, Bali, to help improve various aspects of banking support both internally, such as improving the quality of employees,
perfecting the banking system, and carrying out innovations, and showing a distinctive image, namely a bank that has a level of service for all levels of society without distinction. -differentiate social status, as for externally, namely by improving service quality and so on.

To maintain the quality of service, Bank BRI KC Tabanan provides a friendly service process, every month bank employees always hold competency tests in their respective Job Desk fields and a special call for employees to attend education at the BRI campus in Surabaya where this aims to provide good service to customers. Apart from the good service provided by BRI bank employees to customers and the brand image that has been known for a long time in the community, there are some customers who feel uncomfortable with the service provided by employees, such as: poor dress code, lack of smiles, and lack of friendliness. facing customers who come to the bank and many of them have not received education about account security, so there are some customers who have experienced fraud or lost their account balance due to a lack of socialization in providing education to always protect confidential banking data such as pins, OTP codes, usernames and passwords.

Based on the background of the problem and the findings in the field related to the problem above, research was conducted to test the variables of customer relationship marketing, service quality, customer satisfaction and brand image as intervening variables. This was done to achieve the research objective, namely to determine the influence of customer relationship marketing and service quality on the level of customer satisfaction with brand image as an intervening variable at the BRI Bank Tabanan Bali branch office.

LITERATURE REVIEW

Customer Relationship Marketing

Shang & Ko, (2006) customer relationship marketing is a system that combines people, processes and technology that seeks to provide an understanding of consumers, and supports company strategies to build profitable long-term relationships with consumers. Sivesan (2012) states that there are four factors that can influence customer relationship marketing, namely (1) trust, (2) commitment, (3) communication, (4) conflict handling.

Service quality

Tjiptono, (2011) explains that service quality is the company's ability to meet customer needs and desires in accordance with customer expectations. Bremen in Parasuraman (Tjiptono 2001) states that there are five factors that can influence service quality, namely: (1) tangibles, (2) reliability, (3) responsiveness, (4) Assurance, (5) empathy.

Customer Satisfaction

Kotler, P., & Keller, KL (2016) explained that customer satisfaction consists of satisfaction (satisfaction) which is explained as a person's perception of being either happy or disappointed resulting from perceptions of comparing product performance (or results) with their expectations. Handi Irawan (2004) explains that the factors that can influence member satisfaction are: (1) Product Quality, (2) Price, (3) Service Quality, (4) Emotional factors.

Brand Image

According to (Farli and Maria, 2015) Brand image is an important factor where consumers are certainly more interested in brands that are well known for their quality, a quality brand image is obtained with good quality service so that it fulfills their desires and consumers feel satisfied. Keller, & Kevin L. 2013), in brand image there are 3 dimensions that make up a brand image, including: (1) Brand Strength, (2) Brand Favorability, (3) Brand uniqueness.

Conceptual Framework and Hypothesis

Starting from the background of the problem and literature review described above. Based on the background of the problem, conceptual framework and theoretical basis that have been described, the hypotheses that can be put forward are:

H1: Customer relationship marketing has a positive and significant effect on customer satisfaction.

H2: Service quality has a positive and significant effect on customer satisfaction.
H3: Customer relationship marketing has a positive and significant effect on brand image formation.
H4: Service quality has a positive and significant effect on brand image. H5: Brand image has a positive and significant effect on customer satisfaction.
H6: Customer relationship marketing has a positive and significant effect on BRI KC Tabanan bank through brand image.
H7: Service quality has a positive and significant effect on customer satisfaction through brand image.

**METHOD**

The type of research used in preparing this research is a quantitative research method with a descriptive approach. Namely research that highlights the relationship between variables and tests previously formulated hypotheses. This research was conducted at Bank BRI Tabanan Branch Office with the first exogenous variable (X1) being customer relationship marketing, the second independent variable (X2) being service quality, the mediating variable (Y1) being brand image and the endogenous variable (Y2) being satisfaction.

Identify variables

**a. Independent variable (X)**

It is a variable that is not bound or influenced by other variables, which can be concluded with (X) which can also be called an independent variable, namely customer relationship marketing and service quality are independent variables where customer relationship marketing (X1) and service quality (X2).

**b. Mediation Variable (Y)**

Is a variable that influences the relationship between the dependent variable and the independent variable, and is an indirect relationship that is not observed and measured, namely brand image (Y1)

**c. Dependent variable (Y)**

Is a dependent variable that is influenced by other variables (independent variables) or what is called a dependent variable, namely satisfaction (Y2)

**Data Types and Sources**

The types of data used in this research are:
1. Quantitative data is a type of data that can be measured or calculated directly
2. Qualitative data is data presented in verbal word form, not in number form

The data sources used in this research are:
1. Primary data is data obtained directly at the research location and processed directly by the researcher
2. Secondary data is data obtained from various existing data centers, including data centers in companies, research bodies and the like that have data patterns

**Sample Determination Technique**

Population is a generalized area of objects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. Sugiyono (2017) states that purposive sampling is taking samples from a population based on certain predetermined criteria. The population in this research is BRI Bank customers who come to the BRI KC Tabanan Bank office. Referring to theory (Sugiyono, 2013), research using purposive sampling can determine the sample by multiplying the number of statement items in the questionnaire by the number 5 to 10. This research uses 16 questions so that the sample studied is a minimum of 80 respondents and a maximum of 160 respondents. This research used 80 respondents.

**Data analysis technique**

Data analysis in this research was carried out through the following stages: (1) Validity and Reliability Test, (2) validity test, (3) reliability test, (4) classical assumption test, (5) normality test, (6) multicollinearity test, (7) heteroscedasticity test, (8) model suitability test, (9) path analysis test, (10) inferential analysis, (10) intervening test.
RESULTS AND DISCUSSION

Before testing the hypothesis, instrument testing is carried out, where the instruments from customer relationship marketing (X₁), service quality (X₂), brand image (Y₁) and satisfaction (Y₂) are all valid. Testing the validity and reliability of the instruments in the questionnaire is very important to obtain valid and reliable research results. The provisions of an instrument are said to be valid if has a Pearson Product Moment coefficient (r) > 0.30 with a of 0.05. Meanwhile, reliability is an index that shows the extent to which a measuring instrument can be trusted or relied upon to measure various aspects of a variable. Study. "An instrument is said to be reliable or reliable if it has a reliability coefficient (α) of 0.60 or more" (Arikunto, 2013).

Results Test Analysis Track (Path Analysis)

Test results of substructure 1 and substructure 2 regarding the influence of customer relationship marketing and service quality on the level of customer satisfaction with brand image as variable intervening on Bank BRI Office Branch Tabanan served on table 1.

<table>
<thead>
<tr>
<th>No</th>
<th>Connection Between Variable</th>
<th>Effect Direct</th>
<th>Effect Not Direct</th>
<th>Total</th>
<th>Sig Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Customers relationship marketing (X₁) · satisfaction customers (Y₂)</td>
<td>0.170</td>
<td>-</td>
<td>0.170</td>
<td>0.043 H1 accepted</td>
</tr>
<tr>
<td>2</td>
<td>Quality service (X₂) · satisfaction customers (Y₂)</td>
<td>0.220</td>
<td>-</td>
<td>0.220</td>
<td>0.037 H2 accepted</td>
</tr>
<tr>
<td>3</td>
<td>Customers relationship marketing (X₁) · brands image (Y₁)</td>
<td>0.209</td>
<td>-</td>
<td>0.209</td>
<td>0.021 H3 accepted</td>
</tr>
<tr>
<td>4</td>
<td>Quality service (X₂) · brands image (Y₁)</td>
<td>0.652</td>
<td>0.652</td>
<td>0.000 H4 accepted</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Brand image (Y₁) · satisfaction customers (Y₂)</td>
<td>0.540</td>
<td>0.453</td>
<td>0.000 H5 accepted</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Customers relationship marketing (X₁) · brands image (Y₁) · satisfaction customers (Y₂)</td>
<td>-</td>
<td>0.113 (0.209 x 0.540)</td>
<td>0.113</td>
<td>H6 accepted</td>
</tr>
<tr>
<td>7</td>
<td>Quality service (X₂) · brands image (Y₁) · customer satisfaction (Y₂)</td>
<td>-</td>
<td>0.352 (0.652 x 0.540)</td>
<td>0.352</td>
<td>H7 accepted</td>
</tr>
</tbody>
</table>

Source: Researcher

Hypothesis testing of customer relationship marketing and service quality on the level of customer satisfaction with brand image as an intervening variable at Bank BRI Tabanan Branch Office is described as follows:

1. The Influence of Customer Relationship Marketing on Customer Satisfaction at Bank BRI KC Tabanan, Bali
Hypothesis First state that Customer Relationships Marketing has a positive and significant effect on customer satisfaction. The results of the analysis show that the direct effect value of Customer Relationship Marketing on customer satisfaction is 0.170 with a t test value of 2.061 and a significance level of 0.043 ≤ 0.05. Matter this show that hypothesis First which submitted acceptable. Results analysis means exists enhancement Customer Relationships Marketing is capable increase satisfaction customers as big as 17 percent.

2. The influence of service quality on customer satisfaction at BRI KC Tabanan bank, Bali

The second hypothesis states that service quality has a positive and significant effect on customer satisfaction. The results of the analysis show that the direct effect value of service quality on customer satisfaction is 0.220 with a t count of 2.118 and a significance level of 0.037 ≤ 0.05. This shows that the second hypothesis proposed is acceptable. The results of the analysis mean that there is an increase quality service will capable increase satisfaction customers by 22 percent.

3. The influence of Customer Relationship Marketing on brand image at Bank BRI KC Tabanan, Bali

Hypothesis three states that Customer Relationship Marketing has a positive and significant effect on brand image. The results of the analysis show that the direct effect value of Customer Relationship Marketing on brand image is 0.209 with a t test value of 2.352 and a significance level of 0.021 ≤ 0.05. This shows that the third hypothesis proposed is acceptable. The results of the analysis mean that an increase in Customer Relationship Marketing will be able to increase brand image by 20.9 percent.

4. The influence of service quality on Brand Image at Bank BRI KC Tabanan, Bali

Hypothesis four state that quality service influential positive And significant to brands image. Results analysis showing mark effect direct quality service to brands image as big as 0.652 with mark test t amounting to 7,331 and level significance as big as 0,000 ≤ 0.05. Matter this show that the fourth hypothesis proposed can be accepted. The results of the analysis mean that improving service quality will be able to increase brand image by 65.2 percent.

5. The Influence of Brand Image on Customer Satisfaction at Bank BRI KC Tabanan, Bali

The fifth hypothesis states that brand image has a positive and significant effect on customer satisfaction. The results of the analysis show that the direct effect value of motivation on job satisfaction is 0.540 with a t test value of 5.291 and a significance level of 0.000 ≤ 0.05. This shows that the fifth hypothesis proposed is acceptable. The results of the analysis mean that there is an increase in the brand image will be able to increase customer satisfaction by 54 percent.

6. The influence of Customer Relationship Marketing on customer satisfaction at BRI KC Tabanan, Bali through Brand Image

The sixth hypothesis states that Customer Relationship Marketing has an indirect positive effect on customer satisfaction through brand image. The results of the analysis show that the indirect effect value of Customer Relationship Marketing on customer satisfaction through brand image is 0.113. Testing the influence of brand image as a mediating variable between the influence of Customer Relationship Marketing on customer satisfaction was carried out using the Sobel Test. Calculations using the Sobel test using the calculator for the Sobel test show a Sobel test value (z-value) of 2.15. The results of the Sobel test found a result of 2.15 greater than the value of 1.98 with a significance level of 5%, so the variable Brand image is able to mediate the influence of Customer Relationship Marketing on customer satisfaction. So the sixth hypothesis can be accepted.

7. The influence of service quality on customer satisfaction through Brand Image at Bank BRI KC Tabanan, Bali

The seventh hypothesis states that service quality has an indirect positive effect on customer satisfaction through brand image. The results of the analysis show that the indirect
The Influence of Customer Relationship Marketing and Service Quality on Customer Satisfaction with Brand Image as a Mediating Variable

effect value of service quality on customer satisfaction through brand image is 0.352. Testing the influence of brand image as a mediating variable between the influences of service quality on customer satisfaction was carried out using the Sobel Test. Calculations using the Sobel test using the calculator for the Sobel test show a Sobel test value (z-value) of 4.27. The results of the Sobel test found a result of 4.27 which was greater than the value of 1.98 with a significance level of 5%, so the brand image variable was able to mediate the influence of service quality on customer satisfaction. So the seventh hypothesis can be accepted.

CONCLUSION
Based on the results of the analysis and discussion, as well as to answer the research objectives, it can be concluded that in the context of Bank BRI KC Tabanan, Customer Relationship Marketing and service quality have a positive and significant influence on customer satisfaction. Apart from that, Customer Relationship Marketing also has a positive and significant influence on brand image, and service quality also has a positive and significant influence on brand image. This research also reveals that brand image has a positive and significant influence on customer satisfaction. Apart from that, Customer Relationship Marketing and service quality also have an indirect positive influence on customer satisfaction through the brand image at Bank BRI KC Tabanan. Thus, these factors are interrelated and important in forming customers' positive perceptions of the bank.

REFERENCES
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