

The Effect of Service Quality and Brand Image On Customer Loyalty with Customer Satisfaction as A Mediation Variable: Case Study of Bank Bri Branch Office Jakarta Kemayoran

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Indonesia

ARTICLE INFO

Article history:

Received: 25 June 2022

Revised: 25 July 2022

Accepted: 22 Aug 2022

Publication: Aug-31, 2022

DOI: [10.47742/jhssr.v1n1p2](https://doi.org/10.47742/jhssr.v1n1p2)



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ISSN:

ABSTRACT

This study aims to: 1) analyze the effect of service quality and brand image on customer satisfaction, 2) analyze the effect of service quality and brand image on customer loyalty, 3) analyze the effect of customer satisfaction on customer loyalty, 4) analyze the effect of service quality and brand image on customer loyalty through customer satisfaction. The research was conducted at Bank BRI Kemayoran Branch Office with a research sample of 100 customers. The sampling technique used is a simple random sampling technique. The data analysis method used descriptive analysis and path analysis.

The results showed that: 1) there is an effect of service quality and brand image on customer satisfaction, 2) there is an influence of service quality and brand image on customer loyalty, 3) there is an influence of customer satisfaction on customer loyalty, 4) customer satisfaction plays a role in increasing service quality on customer loyalty and customer satisfaction does not provide an increase in the brand image on customer loyalty.

Keywords: service quality, brand image, customer satisfaction and customer loyalty

Introduction

The company's desire is the satisfaction of its customers. In addition to important factors for the survival of the company, it can increase product superiority in the competition. In the banking world, the last few years have shown a fairly high increase in competition. This fairly rapid development requires banks to work hard to get new customers and motivate old customers to continue to entrust the banking services used to a bank. Therefore, the bank must be good at attracting customers in various ways, such as providing excellent service quality, maintaining trust and product excellence against competitors, and being able to convince customers to create customer satisfaction.

Bank Rakyat Indonesia (BRI) as one of the business actors in the banking industry cannot be separated from the phenomenon of change arising from the intensity of competition to win the hearts of their customers. Currently, customer behavior is not easy to guess, there are customers who want low interest rates (such as loans) or high interest rates (such as savings, current accounts and time deposits), low administrative costs and there are also customers who want fast, efficient financial transactions, convenient and easy to access anytime, anywhere. The interest factor or the sophistication and completeness of the features of a banking product is no longer a consideration, but currently what customers are looking for is the value that will be obtained from what is offered by the bank, so that in the end they will be willing to become customers loyal (Bielen et al., 2007).

The development of banking in Jakarta is quite rapid, marked by the number of banks operating and located close to

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each other, both state and private banks, one of which is Bank BRI Kemayoran Branch Office or hereinafter abbreviated as Bank BRI Branch Office Kemayoran. To be able to remain competitive and survive, Bank BRI Branch Office Kemayoran carries out various strategies, namely by continuously improving service quality and excellent brand image to new customers and existing customers.

Customer loyalty behavior is an actual repeat purchase of a product or service, which includes buying more of the same product or service or alternative products from the same company, recommending the company to others and the possibility of using the product in the long term for the brand quality is maintained (Saravanakumar, 2014). Loyalty is able to position a company's products in the minds of customers and the company considers customers as partners by strengthening customer confidence, always interacting, and developing for mutual progress. Customer loyalty can be seen through the performance growth of a company. However, the phenomenon experienced by Bank BRI Branch Office Kemayoran in the last five years is the decreasing number of customers and declining financial performance due to customer dissatisfaction with Bank BRI services and products so that customers become disloyal.

Customer loyalty depends on the level of satisfaction provided by the bank. Customer satisfaction concerns what customers express about their perceptions and expectations of banking services obtained from banks. While loyalty is related to what customers do after interacting in a banking service process. This concept implies that customer satisfaction alone is not enough, because satisfied or dissatisfied is only one form of

emotion. In addition, customer loyalty is no less relevant to be analyzed because customer loyalty will arise after the customer feels satisfied or dissatisfied with the banking services they receive.

Satisfaction cannot be created when consumers feel that the services they get have not been able to touch the limits of their desires, otherwise the level of satisfaction can be created if the services provided by the company are felt to have fulfilled what the consumers wanted from the observations of researchers at BRI Branch Office Kemayoran, researchers saw that there were many complaints that were served by BRI Branch Office Kemayoran customer service. In the last five years, customer satisfaction at Bank BRI Branch Office Kemayoran seems to have decreased as seen from the number of written customer complaints.

The public's assessment of the bank is influenced by how the community interprets the bank's product or service received. According to Bedi (2010) providing high quality service is a must to achieve customer satisfaction. For customers, service quality and customer satisfaction come from organized service. In simple terms, financial performance actually stems from customer loyalty. Loyal customers can save up to four to five times the cost of acquiring new customers. This fact is a challenge for the banking world, namely how to create customer desire to use the company's products and services and establish close relationships with customers.

The best quality of service provided by a bank to customers will make customers feel happy, satisfied and finally make them feel comfortable in transacting. The banking business is a service business based on the principle of trust, so the problem of service quality is a very important factor in determining the success of this business. Service quality is a form of consumer assessment of the perceived service level with the expected level of service (Kotler, 2000). Service quality is generated by the operations carried out by the company, and the success of the company's operating processes is determined by many factors, including employee factors, technology systems and customer involvement.

To meet customer satisfaction in the banking industry, service quality is very important for companies to be managed properly in order to meet consumer desires. Service quality is the expected advantage of controlling the level of excellence to meet customer desires (Tjiptono, 2007). From the observations of researchers at BRI Branch Office Kemayoran, researchers saw the many queues that had piled up and the long service in serving customers.

Bank BRI's service quality in 2017 based on research conducted by Info Bank in the category of best service quality was ranked seventh. This is a question mark in itself, why Bank BRI, which is well known to the public, is not able to beat its competitors, which are mostly private banks in terms of service quality, whether the quality of services provided is still not excellent and makes customers dissatisfied and loyal. Another thing that can also affect customer satisfaction is that the brand image inherent in Bank BRI is important for the products or services they offer, because a good brand image is a plus in itself to retain consumers. Bank BRI, which has been known as Bank

Rakyat, is a value in itself that can foster customer confidence in a sense of security and comfort in storing their money in this bank. With this brand image, Bank BRI is expected to maintain and even increase customer satisfaction and stabilize the performance of Bank BRI Branch Office Kemayoran.

Departing from the problem of inconsistency related to the results of previous research conducted by Minawati (2017) which showed a significant effect of service quality on customer loyalty and the results of research by Hidayat (2009) and Kurniawan (2013) which showed that service quality had no significant positive effect on customer loyalty. From the results of previous studies, researchers are interested in conducting research on the relationship between the factors of service quality, brand image, customer satisfaction and custom.

Literature Review

Quality of Service

In a service company, good service is one of the conditions for success. The comparison between the expected service and the service received is actually a condition of service quality in a service company. Companies that are able to provide good service to their customers or customers have the greatest opportunity to continue to be visited by their customers (Liu and Wu, 2007). In current practice in the banking world, customer service is included as one of the main requirements in an effort to attract prospective customers or to serve existing customers.

For some researchers and practitioners, the guideline is that service quality encourages the creation of customer behavior expected by the company. Because service quality is an important instrument that will make customers behave positively such as, behavior to promote (refer) the company's products to other parties (Gounaris et al 2003). One approach to service quality that is widely used as a reference in marketing research is the SERVQUAL (Service Quality) model. SERVQUAL is a multi-item scale that can be used to measure customer perceptions or service quality which includes five dimensions (Zeithaml and Bitner, 2004), namely:

- a. Reliability: the ability to provide the promised service promptly, accurately and satisfactorily. The performance provided through service to customers must be sought in accordance with customer expectations which can be realized such as timeliness, equal service for all customers by minimizing errors, sympathetic attitude with high accuracy.
- b. Responsiveness: the desire of staff to help customers and provide services quickly, accurately and responsively through the delivery of clear information. This means each department staff should try not to leave any work pending. Letting customers wait for no apparent reason leads to negative perceptions of service quality.
- c. Assurance: includes measuring the ability, courtesy and trustworthiness of the staff, free from danger and risk. This is intended so that customers feel more confident and believe that the company of their choice to carry out various kinds of business transactions is a quality company and prioritizes the interests of customers.
- d. Empathy: includes ease of doing good communication, personal attention and understanding the needs of customers.

Here it is intended that companies are expected to have understanding and knowledge of customer characteristics, understand specific customer needs and represent a comfortable operating time for customers.

- e. Reality: defined as a service dimension that focuses on elements that physically represent the service. the appearance and capabilities of the company's physical facilities and infrastructure as well as the condition of the surrounding environment are tangible evidence of the services provided by service providers which include physical facilities such as buildings or warehouses, equipment and equipment used and the appearance of their employees.

Brand Image

For consumers, the brand is seen as part of the product and can add value to the product. According to Kotler and Keller (2009) a brand is a value proposition or a promise given by a company to consumers that they will obtain certain benefits from using the brand. For sellers or producers, brands can be the basis for identifying the quality contained in a product and can influence consumer behavior towards the brand. Definition of brand image according to Kotler and Keller (2012) are perceptions and beliefs that exist in the minds of consumers reflecting on associations that are embedded in consumer memory. Brand image represents past experience of the brand, associated with attitudes in the form of beliefs and preferences for a brand.

Brand image is a description of associations and consumer beliefs about certain brands (Tjiptono, 2012). Image or associations represent perceptions that can reflect objective reality or not. The image formed from this association is the basis for buying decisions and even brand loyalty from consumers. From several definitions of the brand image, it can be concluded that brand image is a perception in consumers about a brand of a product, both goods and services that have been selected, which is formed from past usage experiences and based on information collected from other consumers who have previously used a company's products or services. In general, there are five dimensions of brand image according to Kotler and Keller (2012), the five dimensions are as follows:

1. Remember, how young consumers remember the brand
2. Very meaningful, how good is the credibility of the brand, whether it represents the brand's product or consumer
3. Liked, the level of beauty and attractiveness of the brand
4. Transferable, the ability of the brand to represent a variety of product lines, not just being identical to one type of product.
5. Adaptability, brand relevance in the time

Customer Satisfaction

Customer satisfaction has become a central concept in marketing theory and practice, and is one of the essential goals for business activities. Customer satisfaction contributes to a number of crucial aspects, such as creating customer loyalty, improving company reputation, reducing price elasticity, reducing future transaction costs, and increasing employee efficiency and productivity.

Customer satisfaction is also seen as one of the best indicators of future profits. The interesting fact that new customers are much more expensive than retaining current customers is one of the triggers for increased attention to customer satisfaction. Customer satisfaction is the main asset that underlies the company's business continuity in the modern era. Customer satisfaction is a company vision that must be realized continuously by creating various missions in every marketing activity (starting from internal, external, and interactive marketing).

Competitive advantage is also determined by how big the company's ability to create customer satisfaction. This is because marketing practices are no longer focused on products but on the process of delivering value to customers. Companies that are not able to provide superior value will be abandoned by customers because they are not able to create satisfaction for them. Situations like this will bring the company to the lowest level of business and can lead to liquidation. Therefore, customer satisfaction has a very important impact on the progress of a company's business.

Satisfaction comes from the Latin "Satis" which means good enough, adequate and "Factio" which means to do or make. In simple terms, satisfaction can be interpreted as an effort to fulfill something or make something adequate (Tjiptono and Chandra, 2011).

According to Kotler and Keller (2009) customer satisfaction is the level of one's feelings after comparing the perceived performance with his expectations. Customers experience varying degrees of satisfaction and dissatisfaction after experiencing each service according to the extent to which their expectations are met or exceeded.

Another opinion says that customer satisfaction is a response to customer fulfillment. Customer satisfaction is an assessment that the features of a product or service, or the product or service itself, provide the highest level of meeting customer expectations for a particular product or service (Zeithaml, 2013). This customer satisfaction is influenced by the specific features of the product or service, the perception of the brand and service image and the price. Customer satisfaction is also influenced by personal factors such as customer feelings and the situation at the time of purchase such as opinions from family and others.

Based on some of the definitions above, it can be concluded that in general the notion of customer satisfaction or dissatisfaction is seen from the compatibility between customer expectations and perceptions, services received (experienced reality). Where customer expectations are the expectations of customers for an item or service to be purchased. Customer expectations can be formed from previous buying experiences, advice from friends, and promises and information from marketers and competitors. So to be able to measure the level of customer satisfaction, we need several dimensions to measure the satisfaction. According to Kotler and Keller (2009) the dimensions of customer satisfaction are as follows:

- a. Conformity of expectations, is the conformity of customer expectations to the image of the brand / service offered by the company. For example, the suitability of customer expectations regarding the speed of service provided, the

information system used, transaction security and employee concern for customers.

- b. Perception of performance, is the perception created by customers of the services received from the company such as satisfaction with product features, existing facilities at the company, benefits received, information provided and the reliability of services provided.
- c. Customer assessment, is a comprehensive assessment of the superiority of a company's product/service compared to the products/services of similar companies or competitors. This includes the hospitality provided, the ease of transactions, the services provided, the products offered and the promotions carried out by the company.
- d. Customer experience is the feeling that customers feel after using or feeling the products/services produced by the company. For example satisfaction when transacting, services provided and communication made by staff.
- e. Total satisfaction, is a feeling of pleasure or disappointment that arises after comparing the performance (results) of the product thought to the expected performance (results) as a whole. If the performance is below expectations, then the customer will be disappointed (not satisfied) and vice versa if the performance meets expectations or even exceeds it, the customer will be satisfied.

Customer Loyalty

According to Hasan (2008) customer loyalty is defined as people who buy, especially those who buy regularly and repeatedly. A customer is someone who continuously and repeatedly comes to the same place to satisfy his desire by having a product or getting a service and paying for the product or service.

Customer loyalty is a repeat purchase made by a customer because of a commitment to a brand or company. High loyalty is customers who make purchases with an increasing percentage of certain companies than other companies. Actually there are many factors that influence a customer to be loyal, including the price factor, someone will certainly choose a company or brand that he thinks provides the cheapest alternative price among the available options. Besides that, there is also a habit factor, someone who is used to using a certain brand or company, the possibility of switching to another option will be smaller.

According to Lovelock and Wright (2005), customer loyalty is an ancient word traditionally used to describe loyalty and devotion which, in a business context, is used to describe the willingness of customers to continue to be customers of a company in the long term and more exclusively recommend the company's products to customers, friends and colleagues. Customers can become loyal if the company can provide more value to competitors' offerings. In return, they are willing to invest more into their relationship with the company over time, this results in savings for the organization as well as higher turnover and ultimately leads to greater profits.

According to Kotler and Keller (2009), loyalty is a deeply held commitment to buy or re-support a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause customers to switch.

Meanwhile, Tjiptono (2000) states that customer loyalty is a loyal customer to a particular brand who tends to be tied to the brand and will buy the same product again even though there are many other alternatives. From the above understanding it can be concluded that customer loyalty is something that is formed from various stages of learning obtained by customers in the exchange that occurs between customers and providers of products or services. Purchasing which is the initial stage of a customer loyalty can be formed through learning about the product he bought by making repeat purchases of a product.

According to Griffin (2005), there are five buying steps including:

- a. Awareness. The first step towards loyalty begins with customer awareness of the products produced by the company. At this stage the company begins to form the mindset of potential buyers and position that the product or service produced is superior to competitors.
- b. Early Purchase. The first purchase is an important step in maintaining loyalty, because this stage is a trial purchase. Here the company can instill a positive or negative impression on buyers with the products or services provided.
- c. Post-purchase evaluation. After a purchase is made, the customer consciously or unconsciously evaluates the transaction. If buyers are satisfied, there is a possibility that they will become loyal customers for the products or services produced, but if buyers are not satisfied, they may consider switching to products or services produced by competitors.
- d. Buy back decision. Commitment to repurchase is the most important attitude for loyalty, even more important than satisfaction. In short, without repeat purchases there will be no loyalty. The motivation to repurchase comes from a high positive attitude towards a potential product or service.
- e. Repurchase. The final step of the buying cycle is the actual repurchase. To be considered truly loyal, customers must continue to repurchase from the same company.

Research Methods

Research Design

Based on the background, problem identification, and the variables studied, the research design is a survey research, where survey research is research conducted on large or small populations, but the data studied are data from samples taken from the population so that it is found relative events, distributive, and relationships between variables. Survey research is generally carried out to take generalizations from observations that are not in-depth (Sugiyono, 2011). Based on its characteristics, this research is a descriptive study which is characterized by the formulation of specific hypotheses with customer satisfaction and customer loyalty as independent variables and the influences themselves consist of service quality, brand image.

Population and Sample

Population is a combination of all elements that have a similar set of characteristics that cover the universe for the benefit of research problems (Malhotra, 2009). According to Sugiyono (2011), the population is a generalization area consisting of objects or subjects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions. The

population in this study were customers of Bank BRI Branch Office Kemayoran deposits who made direct transactions both at the teller and customer service. Respondents or selected by chance who at that time were at the research site and were willing to fill out a questionnaire form and customer deposits at Bank BRI Branch Office Kemayoran, with a total customer population of 25,917 people. The sample is part of the number and characteristics possessed by the population (Sugiyono, 2011). Determination of the number of samples taken using the slovin formula so that the results obtained as many as 99.61 people. However, in this study, researchers used as many as 100 visitors to Bank BRI Branch Office Kemayoran customers who would be used as the research sample size.

Data Analysis Method

In this study, researchers used path analysis combined model between multiple linear regression and mediation. This

model is a combination of multiple linear regression model with mediation model, namely where the X variable directly affects the Z variable and also indirectly affects the Z variable through the Y intermediary variable (Sarwono, 2007). Where in this study X is the independent variable consisting of service quality and product quality, while Y1 is an endogenous variable and as an intermediary variable consisting of customer satisfaction, and Y2 is the dependent variable, namely customer loyalty.

Research Results and Discussion

Research result

1. Influence of service quality and brand image on customer satisfaction at Bank BRI Branch Office Kemayoran

To find out this, it is necessary to use the F test. The following is a test of each variable:

Table 4. F Test Results the Effect of Service Quality and Brand Image on Customer Satisfaction

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2901.276	2	1450.638	144.012	.000 ^b
	Residual	977.084	97	10.073		
	Total	3878.360	99			
a. Dependent Variable: Y1						
b. Predictors: (Constant), X2, X1						

From Table 4, it is found that the F-count of service quality and brand image variables is 144.012, while the F-table is 3.94. Thus F-count > F-Table. Thus, H0 is rejected and H1 is accepted at the real level. This gives the conclusion that service quality and brand image affect customer satisfaction. Thus the first hypothesis is tested and proven.

Table 5. F Test Results the Effect of Service Quality and Brand Image on Customer Loyalty

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1570.058	2	785.029	71.221	.000 ^b
	Residual	1069.182	97	11.022		
	Total	2639.240	99			
a. Dependent Variable: Y2						
b. Predictors: (Constant), X2, X1						

The results of the F-test for service quality and brand image variables were 71,221 and the F-table was 3,94. F-count > F-table which means H0 is rejected and H1 is accepted. This gives

2. Influence of Service Quality and Brand Image on Customer Loyalty of Bank BRI Branch Office Kemayoran

To test the effect of service quality and brand image on customer loyalty, the F test is carried out. Here are the results of the F test:

the conclusion that service quality and brand image affect customer loyalty. Thus the second hypothesis is tested and proven.

3. Influence of Customer Satisfaction on Customer Loyalty of Bank BRI Branch Office Kemayoran

To test the effect of customer satisfaction on customer loyalty, the t test is carried out. The following are the results of the t test:

Table 6. Results of t-test The Effect of Customer Satisfaction on Customer Loyalty

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.437	1.460		2.355	.021
	Y1	.701	.044	0.849	15.920	.000
a. Dependent Variable: Y2						

The results of the t-test for the customer satisfaction variable obtained the value of t-count = 15.920 and t-table of 1.663. This means that t-count > t-table (15.920 > 1.663), which means H0 is rejected and H1 is accepted. This gives the conclusion that customer satisfaction has an effect on customer loyalty. Thus the third hypothesis is tested and proven.

4. Influence of service quality and brand image on customer loyalty through customer satisfaction at Bank BRI Branch Office Kemayoran

$$X_1 \rightarrow Y_1 \rightarrow Y_2 = (py_{1x_1}) \times (py_{y_1}) = 1,228 \times 0,721 = 0,885$$

$$X_2 \rightarrow Y_1 \rightarrow Y_2 = (py_{1x_2}) \times (py_{y_1}) = 1,030 \times 0,721 = 0,743$$

In the service quality variable, the indirect influence value is obtained from the path coefficient value x_3x_1 multiplied by the path coefficient value yx_3 . The multiplication result shows that the value of the coefficient of indirect influence is greater than the value of the coefficient of direct influence. In the brand image variable, the indirect influence value is obtained from the path coefficient value x_3x_2 multiplied by the path coefficient value yx_3 . The multiplication result shows that the value of the coefficient of indirect influence is smaller than the value of the coefficient of direct influence. This shows that customer satisfaction can mediate, namely service quality on customer loyalty. Customer satisfaction cannot mediate, namely brand image on customer loyalty. Thus the fourth hypothesis is unproven and untested.

Discussion

1. The Influence of Service Quality and Brand Image on Customer Satisfaction at Bank BRI Branch Office Kemayoran

Service quality is an effort to fulfill customer needs and desires to balance customer expectations of Bank BRI Kemayoran Branch Office. Service indicators consist of reliability, responsiveness, assurance, empathy, and tangibles. Brand image is a perception that arises in a person's mind of a brand or a product of Bank BRI Kemayoran Branch Office. Brand image indicators consist of memorable, very meaningful, liked, transferred and adaptable.

Customer satisfaction is a person's feelings of pleasure or disappointment arising from comparing the perceived performance of the expectations of Bank BRI Kemayoran Branch

Office. Customer satisfaction indicators consist of conformity with expectations, perceived performance, customer ratings, customer experience and total satisfaction.

Based on the analysis results, tangible indicators provide the greatest support for the formation of service quality variables, namely Bank BRI Branch Office Kemayoran provides a comfortable waiting room for Bank BRI Branch Office Kemayoran customers to wait while making transactions and Bank BRI Branch Office Kemayoran's front liners look very neat. The indicators that are remembered as the biggest contributor to the formation of brand image variables are the Bank BRI Branch Office Kemayoran brand that is easy for customers to remember and the strategic location of Bank BRI Branch Office Kemayoran. The indicator that provides the greatest support for the formation of the customer satisfaction variable is customer experience, namely customers of Bank BRI Branch Office Kemayoran satisfied with management performance and satisfied with the friendliness of Bank BRI Branch Office Kemayoran employees in serving customers.

Based on the results of path analysis, it shows that service quality and brand image provide support for increasing customer satisfaction at Bank BRI Branch Office Kemayoran. The results of this study are in line with the results of research conducted by Samraz and Muhammad (2012), Shanka (2012), Aditya (2016), Normasari, et al (2013), Shpëtim (2012).

2. The Influence of Service Quality and Brand Image on Customer Loyalty of Bank BRI Branch Office Kemayoran

Customer loyalty is the ability and willingness of a person to obey, implement, and practice something, without expecting it from Bank BRI Kemayoran Branch Office. Indicators of customer loyalty consist of making regular repeat purchases, purchases between product and service lines, providing recommendations and immunity against competitors.

Based on the analysis results, the description of tangible indicators provides the greatest support for the formation of service quality variables, namely Bank BRI Branch Office Kemayoran provides a comfortable waiting room for Bank BRI Branch Office Kemayoran customers to wait while making transactions and Bank BRI Branch Office Kemayoran front liners look very neat. The indicators that are remembered as the biggest

contributor to the formation of brand image variables are the Bank BRI Branch Office Kemayoran brand that is easy for customers to remember and the strategic location of Bank BRI Branch Office Kemayoran. The indicator that provides the greatest support for the formation of the customer loyalty variable is making regular repeat purchases, namely customers always come to Bank BRI Branch Office Kemayoran to transact and use other products offered by Bank BRI Branch Office Kemayoran.

Based on the results of path analysis, it shows that service quality and brand image provide support for increasing customer loyalty at BRI Branch Office Kemayoran. The results of this study are in line with the results of research conducted by Ristanti et.al (2011), Aditya (2016), Normasari, et al (2013), and Shpëtim (2012).

3. The Influence of Customer Satisfaction on Customer Loyalty of Bank BRI Branch Office Kemayoran

Based on the analysis of the description of the indicators that provide the greatest support for the formation of the customer satisfaction variable, the customer experience is the customer experience of Bank BRI Branch Office Kemayoran satisfied with management performance and satisfied with the friendliness of Bank BRI Branch Office Kemayoran employees in serving customers. The indicator that provides the greatest support for the formation of the customer loyalty variable is making regular repeat purchases, namely customers always come to Bank BRI Branch Office Kemayoran to transact and use other products offered by Bank BRI Branch Office Kemayoran.

Based on the results of the path analysis, it shows that customer satisfaction provides support for increasing customer loyalty at BRI Branch Office Kemayoran. The results of this study are in line with the results of research conducted by Kurniawan (2013), Khan & Fasih (2014), Awara & Anyadighibe (2014) and Ismajli, et al (2014).

4. The Influence of Service Quality and Brand Image on Customer Loyalty Through Customer Satisfaction at Bank BRI Branch Office Kemayoran

Based on the analysis results, tangible indicators provide the greatest support for the formation of service quality variables, namely Bank BRI Branch Office Kemayoran provides a comfortable waiting room for Bank BRI Branch Office Kemayoran customers to wait while making transactions and Bank BRI Branch Office Kemayoran's front liners look very neat. The indicators that are remembered as the biggest contributor to the formation of brand image variables are the Bank BRI Branch Office Kemayoran brand that is easy for customers to remember and the strategic location of Bank BRI Branch Office Kemayoran. The indicator that provides the greatest support for the formation of the customer satisfaction variable is customer experience, namely customers of Bank BRI Branch Office Kemayoran satisfied with management performance and satisfied with the friendliness of Bank BRI Branch Office Kemayoran employees in serving customers. The indicator that provides the greatest support for the formation of the customer loyalty variable is making regular repeat purchases, namely customers always come to Bank BRI Branch Office Kemayoran to transact and use other products offered by Bank BRI Branch Office Kemayoran.

Based on the results of path analysis, it shows that the service quality variable with the indirect effect coefficient value is greater than the direct influence coefficient value. In the brand image variable, it is found that the value of the coefficient of indirect influence is smaller than the value of the coefficient of direct influence. This shows that customer satisfaction can mediate the quality of service on customer loyalty, but customer satisfaction cannot mediate brand image on customer loyalty. The results of this study are not in line with the results of research conducted by Samraz and Muhammad (2012), Shanka (2012), Aditya (2016), Normasari, et al (2013), Shpëtim (2012), Ristanti et.al (2011), Kurniawan (2013), Khan & Fasih (2014), Awara & Anyadighibe (2014) and Ismajli, et al (2014).

Conclusions and Recommendations

Conclusion

Based on the results of research on the effect of service quality and brand image on customer loyalty with customer satisfaction as a mediating variable, the following conclusions can be drawn:

1. Based on the results of path analysis, it is obtained that:

a. **Service Quality**

Based on the results of the regression analysis, it shows that service quality provides support for increasing customer satisfaction and customer loyalty at Bank BRI Branch Office Kemayoran.

b. **Brand Image**

Based on the results of the regression analysis, it shows that brand image provides support for increasing customer satisfaction and customer loyalty at Bank BRI Branch Office Kemayoran.

c. **Customer Satisfaction**

Based on the results of the regression analysis, it shows that customer satisfaction contributes to increasing customer loyalty at Bank BRI Branch Office Kemayoran.

d. **Customer Loyalty**

Based on the results of path analysis, it shows that customer satisfaction can mediate, namely service quality on customer loyalty, but customer satisfaction cannot mediate brand image on customer loyalty.

Recommendations

Based on the results of research on the effect of service quality and brand image on customer loyalty with customer satisfaction as a mediating variable, several suggestions can be made as follows:

1. The results of this study are expected to contribute to the science of marketing management, especially with regard to service quality, brand image, customer satisfaction, and customer loyalty.
2. The results of this study are expected to provide benefits for the leadership of Bank BRI as input in determining marketing strategies, especially with regard to service quality, brand image, customer satisfaction, and customer loyalty, taking into account the following:

a. **Service Quality**

In order to be a concern for Bank BRI Branch Office Kemayoran, to pay attention to the indicators of constraint and empathy that give the lowest value to the formation of service quality variables, namely Bank BRI Branch Office Kemayoran front liners must be able to provide complete banking information to customers and the service time provided by Bank BRI front liners Branch Office Kemayoran is in accordance with bank standards that have been determined by being given. In the empathy indicator, Bank BRI Branch Office Kemayoran front liner pays attention by greeting each customer when making transactions and Bank BRI Branch Office Kemayoran front liner cares for customers with excellence training on customer service on all front liners.

b. Brand Image

In order to be a concern for BRI Branch Office Kemayoran, to pay attention to the preferred indicator which gives the lowest value to the formation of the brand image variable, namely the strategic placement of the

Bank BRI Branch Office Kemayoran Logo so that it is easy to see and can attract visitors and the atmosphere of the waiting room and services that provide comfort for Bank BRI Branch Office customers Kemayoran.

c. Customer Satisfaction

In order to be a concern for Bank BRI Branch Office Kemayoran, to pay attention to customer assessment indicators that give the lowest value to the formation of customer satisfaction variables, namely by providing a sense of satisfaction with the products offered by Bank BRI Branch Office Kemayoran in accordance with the needs and desires of customers.

d. Customer Loyalty

In order to become a concern for Bank BRI Branch Office Kemayoran, to pay attention to the indicator of immunity against competitors which gives the lowest value to the formation of customer loyalty variables, namely by means that the products produced by Bank BRI must be innovative and communicative according to trends and customer needs and desires.

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