THE INFLUENCE OF CUSTOMER RELATIONSHIP MANAGEMENT AND ASSURANCE ON CUSTOMER LOYALTY OF PT. BRKS TBK IN BATAM

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ABSTRACT

Customer relationship management (CRM) is one of the strategies implemented by many companies, so that they can survive in today's tight competition. PT. Bank Riau Kepri SyariahTbk. (BRKS) is currently not only able to survive but can become one of the largest banks in Indonesia. The implementation of good CRM and increasing customer trust aimed at satisfying consumers is one of their strategies to survive in the competition. The problem of Assurance (guarantee) of vehicle security when parked and the security of customer goods and the physical safety of customers. Of course, customers of PT. Bank Riau Kepri SyariahTbk. (BRKS) really want a guarantee of security from the management of the PT. Bank Riau Kepri SyariahTbk. (BRKS) Batam office. Office security officers must often control security in the office area and in the waiting room, so that there will be no loss of customer goods and are equipped with cameras that are used according to their function to facilitate the tasks of office security officers. The sampling technique used is purposive sampling. The data analysis method used is quantitative analysis, namely validity and reliability tests, descriptive statistical analysis, classical assumption tests, multiple linear regression analysis, t-tests

and F-tests. For data processing using the SPSS version 23 application. Based on the data analysis, the results of the study indicate that the variables in the study are valid and reliable. In the classical assumption test, the data is normally distributed. In the partial test, the CRM and Assurance variables have a positive effect, while in the simultaneous test, both variables have a positive effect on customer loyalty at PT. Bank Riau Kepri SyariahTbk. (BRKS). This is based on the results of the F test of 50.748 with a significance of 0.000.

Keywords: Customer Relationship Management, Assurance, Customer Loyalty

Introduction

Background

PT. Bank Riau Kepri Syariah is a sharia regional development bank in Riau province and Riau Islands province, ustomer relationship management (CRM) is one of the many strategies implemented by many companies, so that they can survive in today's tight competition. Companies engaged in financial management or banking (banks), are one of the many types of companies that have implemented CRM in their business activities. In addition, the community that currently needs the role of banks in all their activities, has made CRM a strategy that must be implemented by every bank in their daily activities.

PT. Bank Riau Kepri SyariahTbk. (BRKS) is a company engaged in banking and has long implemented CRM as one of their strategies to increase satisfaction, even the level of customer loyalty. The implementation of CRM carried out by BRKS is carried out in all BRKS institutions spread throughout Indonesia, one of which is in Batam. The implementation of CRM implemented by BCA is not only aimed at retaining their consumers, but also to attract potential new consumers so that later they will start transacting and collaborating with BRKS Bank.

Guarantee for public services carried out by PT. Bank Riau Kepri Syariah Tbk. (BRKS is currently felt to have not met the expectations of the community. This can be seen from various complaints from the community submitted through mass media and social networks. Of course, these complaints, if not handled, will have a negative impact on PT. Bank Riau Kepri SyariahTbk. (BRKS) Furthermore, it can cause distrust from customers.

Research Objectives

The purpose of this study is to determine the effect of:

1. Customer Relationship Management on Customer Loyalty of PT. Bank Riau Kepri Syariah Tbk. (BRKS)

2. Assurance on Customer Loyalty of PT. Bank Riau Kepri SyariahTbk. (BRKS)

3. Customer Relationship Management and Assurance on Customer Loyalty of PT. Bank Riau Kepri SyariahTbk. (BRKS)

2. Literature Reviews

Definition of Marketing

Marketing is an activity carried out by every company in pursuing its goals. The essence of marketing is identifying and satisfying human and social needs. A brief definition of marketing is satisfying needs profitably. Marketing is one of the most important factors in advancing a company, especially companies engaged in goods and services. The success of a company is largely determined by its achievements in the field of marketing. According to Retina Sri (2018) defines that marketing refers to all efforts or activities to provide goods or services from producers to customers, where these activities aim to satisfy needs and desires in some way called exchange

Definition of Customer Relationship Management

According to Al Fajri *et al* (2020), Customer Relationship Marketing (CRM) is a core business that integrates internal processes and functions and external networks to create and deliver value to target customers in order to make a profit. CRM is supported by high-quality customer data and facilitated by information technology. Meanwhile, according to Harris in Tjiptono (2015), CRM is a technology-facilitated strategy to transform data-based decisions into business actions in order to respond to and anticipate actual customer behavior. Based on a technology perspective, CRM reflects the process of measuring and allocating organizational resources into activities that provide the greatest return and have an impact on relationships with profitable customers. The most important thing in CRM is knowing customers and to know customers, companies must collect information and store information in customer databases and marketing databases.

CRM Components

A similar thing was also expressed by Husein *et al* (2019) who divided CRM into three main components, namely:

1. Human Resources (People)

In this case, employees as implementers of Customer Relationship Management (CRM). In the HR dimension, key factors that must be considered are such as organizational structure, roles and responsibilities, company culture, procedures and overall change management programs. In managing relationships or relations with customers, a personal touch or personal and human touches are needed. Attitude and enthusiasm are needed from within business actors to be more proactive in exploring and getting to know their customers more deeply in order to satisfy them more.

2. Process

The process includes systems and procedures that help humans to better recognize and establish close relationships with customers. The organizational structure, operational policies and reward-punishment systems must be able to reflect what will be achieved with CRM. CRM implementation will change existing business processes, both business processes that involve customers directly or indirectly. In CRM, all

Understanding Assurance

According to Tjiptono and Chandra (2016) Assurance is the knowledge and behavior of employees to build consumer trust in consuming the services provided. This dimension is important because it implies consumer perceptions of high risk of uncertainty about the ability of service providers. Companies build consumer trust and loyalty through their employees being directly involved in consumer relationships. Therefore, the components of this aspect include employee competence including skills, knowledge possessed by employees to provide services, and company reputation including matters relating to consumer trust in the business such as company reputation, achievements and others.

Employee knowledge and courtesy and ability to maintain trust. Skilled employees who treat consumers with respect and make them feel that they can trust the certainty as shown by the company. Knowledge, courtesy and ability of company employees to foster customer trust in the company. This includes several components including communication, credibility, security, competence and courtesy.

The indicators of assurance are as follows:

1. Employees who foster customer trust.

2. Make customers feel safe when making transactions

3. Employees who are consistently polite

4. Employees who are able to answer customer questions

Consumer Loyalty

According to Larasati & Hasbi (2016) customer loyalty is a customer who not only repurchases goods and services, but also has a commitment and positive attitude towards the service company, for example by recommending others to buy.

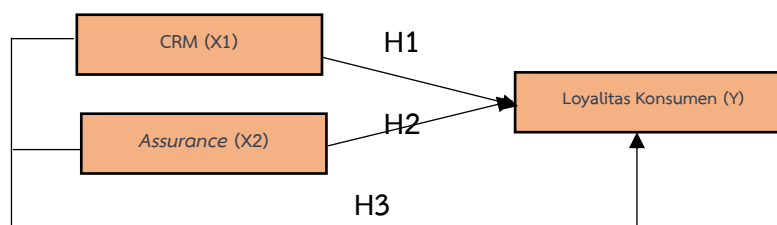## Requirements for Increasing Consumer Loyalty

Victor, Jorie, & Sumarauw in Lovelock (2015) defines that most consumers will be loyal to a company if there is something that is beneficial to them. These things are:

1. Confidence Benefits. The feeling in the consumer that at least there is only a small chance that something will happen that is not in accordance with consumer expectations, the ability in the consumer to trust the service provider for the product, and receive very satisfactory service from the company concerned.

2. Social Benefits. Consumers will be happy if the company concerned knows the name of the consumer, establishes a good relationship between the consumer and the company, and feels happy about the social aspects that are the result of a good relationship between the two parties.

3. Special Treatment Benefits. Affordable prices for consumers, satisfying extra services, and consumers are the main priority in the company.

Previous Researchers

Victor et al (2015) conducted a study entitled The Influence of Customer Relationship Management and Trust on Satisfaction and Its Impact on Consumer Loyalty of PT. Bank BRKS Tbk. In Batam. The purpose of the study was to determine the influence of CRM and trust on consumer satisfaction and its impact on consumer loyalty of PT. BRKS Tbk in Batam. The similarity made by Victor et al with the current study is using the Customer Relationship Management variable as a variable (X) which is then sought for its effect on the Consumer Loyalty variable (Y). The difference between the research conducted by Victor et al and the current study is that the previous study used a path analysis tool, in contrast to the current researcher using multiple regression.

Solichin et al (2019) conducted a study entitled The Influence of Service Quality (Reliability, Assurance, Tangible, Empathy, and Responsiveness) on Customer Satisfaction at Bank Kalteng Muara Teweh Branch. The purpose of this study was to determine the effect of Reliability, Assurance, Tangible, Empathy, and Responsiveness on Customer Satisfaction at Bank Kalteng Muara Teweh Branch. The similarity made by Solichin et al with the current study is using the Assurance variable as the variable (X), the analysis tools used are both multiple regression, and the results of the simultaneous analysis have a positive effect. The difference in the study conducted by Solichin is using customer satisfaction as the variable (Y).

Capture 1. Multiple Analysis Model

Hypothesis

The hypothesis in this study is stated as follows:

H1: CRM is suspected to have an influence on customer loyalty

H2: Assurance is suspected to have an influence on customer loyalty

H3: CRM and Assurance are suspected to have a joint influence on customer loyalty

3. Methodology
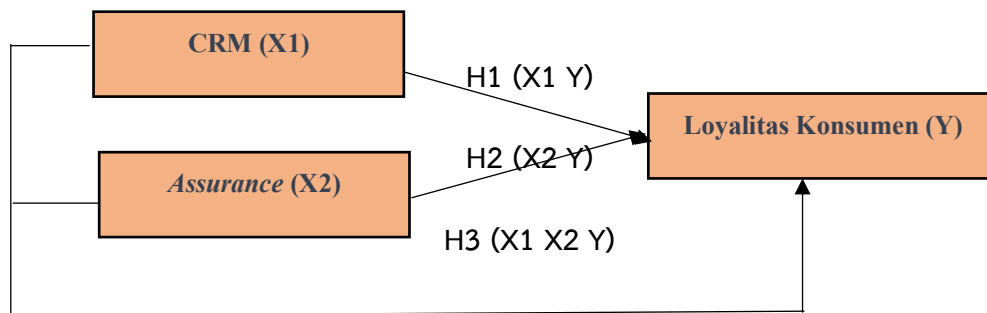
Type of Research

This research is a type of quantitative research because it is related to the processing of nominal data in the research results later. Then, the research model used in this study is associative research, namely to see the relationship between research variables.

Population and sample

The researcher determined the data population from the number of BRKS Batam customers and then used the purposive sampling method to determine the sample because there are several sample criteria that must be met. The number of samples determined by the Slovin formula totaling 189 respondents.

Analysis Method

The data analysis used in this study is as multiple regression analysis. The multiple regression analysis model used in the study will be attached as follows:

Capture 2. Multiple Analysis Model

Validity Test

According to Sugiyono (2015), validity test is defined as a test to determine the level of validity of the questionnaire instrument used to collect data. For example, a questionnaire measures the level of loyalty, whether each question is able to measure the level of loyalty in question. Based on this, a validity test needs to be conducted in a study.

Reliability Test

Ghozali (2014) defines the purpose of the reliability test as measuring the questionnaire which is an indicator of a variable or construct and the consistency of the measurement results, even though it is used repeatedly.

4. Results

Normality Test

Tabel 1. Uji Kolmologorov-Smirnov

		Unstandardized Residual
N		189
Normal Parameters[a,b]	Mean	0,0000000
	Std. Deviation	2,75452597
Most Extreme Differences	Absolute	0,122
	Positive	0,075
	Negative	-0,122
Kolmogorov-Smirnov Z		1,596
Asymp. Sig. (2-tailed)		0,712

Source: *SPSS Data Processing*

The results of the normality test above, it can be seen that the significance value for all regression equations of 0.712 is greater than 0.05. This states that the regression model meets the assumption of normality.

Multicollinearity Test

Model		Collinearity Statistics		Keterangan
		Tolerance	VIF	
1	(Constant)			
	CRM	0,751	1,332	Tidak terdapat Multikolonieritas
	Assurancce	0,606	1,651	Tidak terdapat Multikolonieritas
		a. Dependent Variable: Loyalitas Nasabah		

Source: SPSS Data Processing

Based on the table above, it can be seen that the Tolerance value of each independent variable in this study has a large value of 0.10 and a small VIF value of 10 so that it can be concluded that the regression model is free from multicollinearity symptoms.

Multiple Linear Regression Hypothesis Testing Results

Table 3. Multiple Linear Regression

Coefficients[a]				
Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.

		B	Std. Error	Beta		
1	(Constant)	21,908	2,155		10,167	0,000
	CRM	0,496	0,065	0,312	9,538	0,000
	Assurance	0,354	0,046	0,077	7,157	0,049
a. Dependent Variable: Loyalitas Nasabah						

Source: SPSS Data Processing

Partial Test Results

Based on the calculation results, it shows that:

1. Hypothesis testing of the influence of CRM on Customer Loyalty (H1) obtained a t-value of 9.538> 6.680 and a significance level of 0.000 <0.05, so it is concluded that H0 is rejected, which means that there is a very significant influence between CRM and Customer Loyalty.

2. Hypothesis testing of the influence of Assurance on Customer Loyalty (H2) obtained a t-value of 7.157> 6.680 and a significance level of 0.049> 0.05, so it is concluded that H0 is rejected, which means that there is an influence between Assurance and Customer Loyalty.

Simultaneous Test Results

Table. 4 Simultaneous Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1577,081	2	394,270	50,748	0,000[b]
	Residual	1297,448	187	7,769		
	Total	2874,529	185			

a. Dependent Variable: Loyalitas Nasabah

b. Predictors: (Constant), CRM, *assurance*

Source: SPSS Data Processing

The results of the regression test in this study show that the F test value is 50.748 with a significance of 0.000. Where the F significance value is required to be less than 5%. Thus, it can be concluded that all independent variables in this study simultaneously affect Customer Loyalty (Y). This means that if CRM (X1), Assurance (X2) simultaneously increase, it will have an impact on increasing Customer Loyalty (Y), conversely if CRM (X1), Assurance (X2) simultaneously decrease, it will have an impact on decreasing Customer Loyalty (Y).

Results of Determination Coefficient

Table 5. Determination Analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,741[a]	0,549	0,538	2,787

a. Predictors: (Constant), CRM, *Assurance*

b. Dependent Variable: Loyalitas Nasabah

Source: SPSS Data Processing

Based on the table above, the R Square value is 0.549. This means that the contribution of CRM (X1), Assurance (X2) to the Customer Loyalty variable (Y) is 54.9%. While the remaining 45.1% is influenced by other variables that are not included in this regression model.

Discussion

The Effect of Customer Relationship Management on Customer Loyalty

The results of the study conducted by the researcher show that CRM (X1) has a significant effect on customer loyalty (Y) at Bank BRKS in Batam, the results of this study are in accordance with the study conducted by Victor et al (2015) where the researcher found that the CRM variable has a significant effect on customer loyalty.

The Influence of Assurance on Customer Loyalty

The results of the study conducted by the researcher show that Assurance (X2) has a significant effect on customer loyalty (Y) at Bank BRKS in Batam, the results of this study are in accordance with the research conducted by Solichin et al (2019) where the researcher found that the Assurance variable has a significant effect on customer satisfaction.

5. Conclusion and Recommendation

Conclusion

The conclusions in this study:

1. Customer Relationship Management implemented by BRKS Batam has a significant effect on increasing customer loyalty at PT. BRKS Tbk. In Batam.

2. Assurance increased by BRK Batam has a significant effect on increasing customer loyalty at PT. BRKS Tbk. in Batam.

3. Customer Relationship Management and Assurance together have an effect and significantly increase customer loyalty at PT. BRKS Tbk. in Batam

Recommendation

Suggestions in this study:

1. The management of BRKS Batam should continue to maintain and even improve the CRM that has been implemented so far. The improvement can be in the form of maintenance and addition of ATM machines and maintaining good relations between BRKS Batam and their customers in Batam

2. PT. BRK Tbk, should improve security and comfort for their customers that they have implemented so far, one of which is by continuing to develop security monitoring by installing it in a position that is not reachable by the security team's supervision.

3. For other researchers who will conduct similar research, they should pay attention to other factors that can affect customer loyalty.

Acknowledgement

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