

Analysis of Customer Service Quality Reviewed Through Complaint Handling

Meida Rachmawati¹, Putri Ratnasari², Chrisna Prawiratama Bagaskara³, Cecep Sukrisna⁴,
Bambang Dewantoro⁵
(meida_r@unw.ac.id¹, putriiii5421@gmail.com², bagaskara@topedu.co.id³,
cokrisna@gmail.com⁴, dewabujang007@gmail.com⁵)
Univesitas Ngudi Waluyo¹, Topedu^{2,3}, Universitas Pertahanan⁴, AMIK JTC Semarang⁵
Email Correspondence : meida_r@unw.ac.id

Abstract. In the banking world complaint handling is one type of service provided by banking institutions to customers as a means of communication, education, socialization and handling complaints quickly and satisfactorily. How to measure customer service satisfaction in terms of the complaint case aspect? The purpose of this study is to determine service satisfaction in the form of physical evidence, reliability, responsiveness, assurance and empathy. This study uses primary data sourced from direct observation to. The results of the study show that service quality has a significant effect on complaint handling for customers in (locus).

Keywords: Customer Satisfaction, Customer Service, Complaint Handling

Background of Study

Banks as public trust institutions have a role as intermediaries between parties experiencing a surplus of funds to be productive in sectors experiencing a lack of funds. As a public trust institution, this institution has rules and regulations governing operational activities that are much more unyielding when compared to other business activities.[1]

In addition, the Bank as a financial institution in carrying out business activities does not escape the problems that are often faced which affect the business sector. So, the role of banks in the banking services sector has a critical function in improving the quality of service for its customers.

Understand the factors that affect the quality of service. This study discusses the effect of service quality on bank customer satisfaction and loyalty. The purpose of this study is to analyze the consequences of physical evidence (tangible), assurance (assurance), responsiveness (reliability), and attention (empathy) on the quality of customer service at (CHANGE LOCUS) which is reviewed through complaint handling.

Theory

Service quality

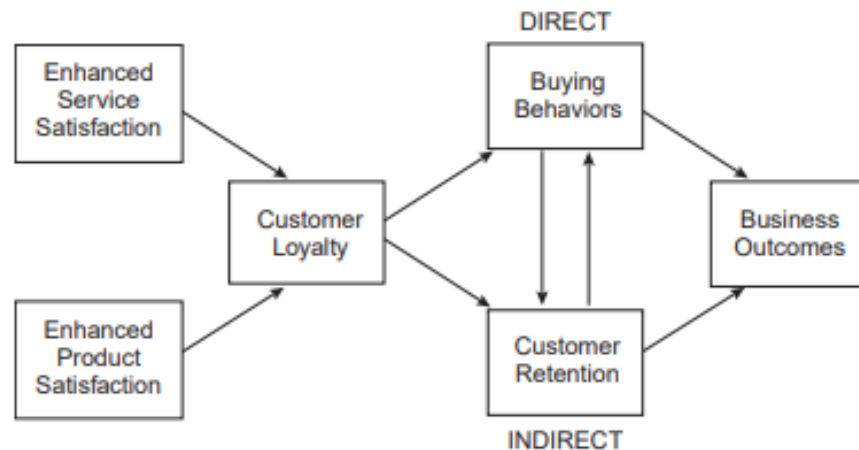
Etymologically, service comes from the word service means helping to prepare what someone needs. Service can be interpreted as an activity that is given to help, prepare, and manage, whether in the form of goods or services from one party to another.[2]

According to Moenir, service is a series of activities to meet customer demands for the services they get from a company. Meanwhile, according to Fandy and Gregory, quality is a form of guarantee for customer loyalty, which means that with the higher quality of services provided by the company, customer loyalty will increase.[3]Quality is a dynamic condition associated with products, people/labor, processes, and tasks, including the environment that meets or exceeds customer or consumer expectations.

According to Zikmund et al. service is defined as an evaluation after the purchase of the results of the comparison between expectations before purchase with actual performance. Satisfaction is a function of perceived performance and expectations. Meanwhile, according to Hansemark and Albinsson, overall service quality indicates an attitude towards a service provider or an emotional reaction to the difference between what customers expect and what they receive. From the two theories put forward, what is meant is that the quality of service to customers is fulfilled, then the quality of service is integrated both to customers.[4]

Companies engaged in banking services must be able to provide quality services so as not to lose customers in the long term, quality management is the ability to provide services in the form of services and products that can increase customer satisfaction, which will affect customer loyalty in addition to product satisfaction.[4]

In particular, more satisfied customers tend to buy more products and services. Many intervention variables influence this relationship, of course. The current share of the wallet, for example, can affect the extent to which even very satisfied customers can purchase additional products or services.



Customer satisfaction effects on business outcomes
Source: Derek R. Allen, *Customer Satisfaction Research Management*, 2004

Service quality is the overall attitude that consumers show towards goods or services after they get them. Customer satisfaction is determined by two cognitive variables. First, pre-purchase expectations,[5] namely beliefs about the anticipated performance of a product or service. The second is disconfirmation, namely the difference between pre-purchase expectations and post-purchase perceptions. In the buying process, consumers have previously had certain expectations for the product or service that they will consume. After the purchase / is carried out, the consumer will conduct an assessment (post-purchase evaluation).

From the results of the comparison between the expectations that exist in the minds of consumers with consumers' perceptions of the goods or services they consume, it is in the form of confirmation (positive or negative). From this definition, it can be concluded that basically, the notion of customer satisfaction is a function of the impression of performance and expectations. Customer satisfaction is influenced by service quality which consists of physical evidence (Tangibles), reliability (Reliability), responsiveness (Responsiveness), assurance (Assurance), and empathy (Empathy). If the quality of service is below expectations, then the customer is not satisfied, if the quality of service exceeds expectations, the customer will feel satisfied or happy.[5]

Service Quality Measurement

According to Tjiptono, there are 4 (four) methods used by the company to determine the level of customer satisfaction, namely: [3]

Gap Between Consumer Expectations and Management Perceptions. Management is not always able to exactly feel what consumers want. This gap occurs due to the lack of effective communication between subordinates and superiors, lack of marketing research and not utilizing marketing research, as well as too many levels of management.

Gap Between Management Perception and Service or Product Quality Specifications. Management can precisely feel what consumers want, but the handling cannot set a certain standard of performance. as a way to assess the performance of company employees.

Gap Between Service or Product Quality Specifications and Delivery Method. Company employees are either poorly trained or overworked and are either unable or unwilling to meet standards or they are exposed to conflicting standards.

The Gap Between the Delivery of Services or Products and External Communications Consumer expectations can be influenced by questions made by representatives and company advertisements. This gap often occurs because of inadequate horizontal communication and a tendency to over-promise.

Gap Between Perceived and Expected Services or Products. This gap occurs when consumers measure the company's performance or achievements in different ways and misperceive the quality of the service or product.

Service quality factors

According to Parasuraman there are five dimensions that can be used to measure service quality, including:

Physical evidence (tangible) is the ability of a company to show its existence to external parties. The appearance and ability of the company's physical facilities and infrastructure that can be relied on by the surrounding environment is evidence of the services provided by the service provider. It includes physical facilities (for example buildings, warehouses, etc.), equipment and tools used (technology), and the appearance of employees.

Reliability is the company's ability to provide services as promised accurately and reliably. Performance must be to customer expectations which means timeliness, the same service for all customers without errors, a sympathetic attitude, and high accuracy.

Responsiveness is a policy to help and provide fast and appropriate service to customers, by conveying clear information. Leaving customers waiting creates a negative perception of service quality.

Assurance and assurance, namely the knowledge, courtesy, and ability of company employees to foster customer trust in the company. It includes several components with communication, credibility, security, competence, and courtesy.

Empathy is giving sincere and individual or personal attention given to customers by trying to understand their desires. It expects that the company has an understanding and knowledge of customers, understands specific customer needs, and has a comfortable operating time for customers.

Complaint Handling

A customer complaint relates to when a business does not live up to its commitments and does not meet customer expectations in terms of products or services. A crucial aspect of any business is its clients. For more remarkable success, industries need more satisfied clients. And the best way to get new clients and retain existing ones is to provide excellent service. But how to understand whether your customers are happy or unhappy? Customer complaints highlight issues that are related to the organization's products, employees, or internal processes, and by hearing these issues directly from the customer, the organization can investigate and improve to avoid additional complaints in the future.[6]

Complaints are one part of the negative expression that results from the fact that reality does not match one's wishes. In the event of dissatisfaction, there are at least four possible customer responses, namely:

- 1) Do nothing. It means that customers do not submit their complaints to anyone. But most of them immediately switch to other Islamic banks.
- 2) Stop buying products and or convey (word-of-mouth) to family, friends, and closest people (private action). This information usually flows quickly and has an effect on the company's image. As a result, companies can lose potential customers as well as current customers.
- 3) Submit a complaint directly and or ask for compensation from the company.

If this happens, the company is still benefiting. At least the company gets valuable feedback on the various complaints submitted, and there is an opportunity to address the problem before it becomes widespread. If complaints are successfully handled effectively and satisfactorily, consumers who were initially dissatisfied become satisfied and return to buy the company's products. It is very different from consumers who immediately stop using the product and switch to competitors without creating complaints, so the company does not know the cause of customer disappointment.

Marketing communications and public relations play a vital role in anticipating and dealing with these possible complaint forms. Fifth, dissatisfied customers intentionally do something to hurt or take revenge on the company. Actions taken can take many forms, such as destroying merchandise or displays, hiding or removing items from their previous place.[7]

Research Method

The form of the approach in this study uses a qualitative approach. The qualitative research method is a research method based on the philosophy of postpositivism, used to examine the condition of scientific objects, where the researcher is the key instrument, data collection techniques are carried out by triangulation (combined), data analysis is inductive/qualitative, and qualitative

research results are more emphasizing meaning rather than generalization.[8] Qualitative research is flexible, meaning that the suitability of the results obtained depends on the research objectives.

Data collection techniques in this study were carried out employing interviews, interviews with several Locus employees who were considered capable, qualified, and understood the research conducted by the author. The author chose the head of Locus, funding, tellers, and several Locus customers to be interviewed. Funding at Locus also handles cases when customers complain about their performance, therefore, the authors seek information directly and observe employee performance so that the author understands, the emergence of customer dissatisfaction with employee performance. There are three stages passed by the author in processing the data, namely data reduction, data presentation, and conclusion. The data obtained from the field is quite a lot, therefore it needs to be recorded by the author carefully and in detail. The data obtained is certainly not small, so it is necessary to do data reduction, which means summarizing, choosing the main things, and focusing on the important things.

Discussion

Analysis of excellent service strategies for handling customer complaints at Locus Bank.

From the data that has been presented along with the results of interviews conducted, it has been explained that Locus Bank's strategy in handling complaints submitted by customers is to adjust to standard operating service procedures (SOPs) that have been determined by the head office. So that in the service process the Bank can be ensured to have provided the best service.

Locus Bank facilitates everything that customers need. Serving in a friendly manner, guiding customers, facilitating customers in the transaction process, paying attention to each customer, can provide excellent service to customers, having a sense of responsibility for customer satisfaction, and having good abilities.

Based on the theory of excellent service, which requires a facilitator to have the knowledge and skills that are necessary to support the operation of excellent service, which includes the ability to master the field of work occupied. Attitude (attitude) behavior that must be shown by bank employees such as being able to serve customers in a friendly manner, and always giving a smile.[9]

Attention concern for customers related to attention to the needs and desires of customers. Accountability (responsibility) The attitude of taking sides with customers as a form of consideration and minimizing customer dissatisfaction.

Analysis of prime service strategy on the causes of customer complaints at Locus Bank.

Based on the data obtained through the interviews above, the causes of complaints such as cash withdrawals did not come out, but the balance decreased. There are also transfers to other banks where the money is not sent but the balance is reduced, the customer reports that his ATM has been swallowed, then once the customer reports that he has purchased credit via e-banking, but the credit does not come in and the balance is reduced.

Failed to transfer, wrong transfer, then when customers want to buy train tickets through e-banking services the network is not good. It is beyond the Bank's expectations, which cannot be predicted, besides that the customer has never made a transaction, but the money comes out.

The cause of complaints can be caused by an error in such a network system. Because basically Bank employees do not know when the network will be good, stable, and when it will experience disturbances. Even so, customers consider that the performance of the Bank's employees is not agile in handling complaints submitted.

Then the cause of the complaint if you look at the existing theory, complaint can be caused by:

- a. The mismatch between benefits or results obtained with customer expectations.
- b. The service acquired is not satisfactory.
- c. The performance of bank employees disappointed customers.
- d. The atmosphere or conditions in the bank are not supportive, so it does not give the impression of being comfortable for customers.
- e. The price offered by the bank for a product is too high.
- f. The discrepancy between reality and advertising promotions is carried out by the bank.

If you look at the theory of excellent service, regarding the excellent service strategy for handling customer complaints at the Bank, which explains that the Bank already has responsiveness, namely the agility of employees to help and provide fast and appropriate service to customers when customers complain. Guarantee and Assurance, namely knowledge, courtesy, friendliness, and the

ability of bank employees to serve customers when the complaint process is submitted. Empathy: A sense of attention given by the bank to the customer, with an effort to understand the customer's wishes, so that when a complaint is submitted, the customer feels valued.[10]

Based on the explanation of the theory and facts in the field, the writer draws an understanding that the excellent service strategy carried out by the Bank towards the causes of complaints, namely with a responsive attitude, and also a high sense of empathy, is following the causes of complaints that occurred in the Bank, namely customers feel that the services they receive are unsatisfactory, so the performance of bank employees is disappointing for customers.

Bank satisfaction analysis in measuring the level of customer satisfaction.

From the data that the author obtained, the measurement of customer satisfaction at the Bank is conducted by a special team who randomly comes to all branches in Indonesia and disguises himself as a customer. With the disguise carried out, the team can see how the Bank is serving and responding to complaints felt by customers.

In theory, it is said that the way to measure customer satisfaction can be done by:

- a. Periodic surveys. This means can find out directly with customers by asking questions to measure the customer's intention to return and likely to recommend the bank to others.
- b. Observe customer loss rates and contact customers who stop buying or switch to other suppliers to find out why.
- c. Hire mystery shoppers, who are usually assigned by superiors to disguise themselves as customers and assess how a competitor's bank is doing. In this way, the manager can enter the situation of the competing bank. The same method can be used by managers to assess the performance of their bank employees in providing services to customers.[11]

The author concludes from the available data that the Bank's tips in measuring customer satisfaction are under the theory.

Conclusion

Based on the research that the author has done, regarding the analysis of excellent service strategies in complaint handling as an effort to increase customer satisfaction, the authors conclude that:

The Bank's excellent service strategy in handling customer complaints is following the SOPs determined by the central bank. So that in the service process the Bank can be ensured to have provided the best service. In providing services, the Bank has been friendly (attitude), and in practice, the Bank always greets new customers first, gives a smile, greets and greets every customer who comes and when they want to leave the place, then has the ability, good ability. This adequate service makes Bank employees agile in their service processes because Bank employees understand their work, and have a high level of attention and sensitivity to customers (attention), Lokus Bank does not look at differentiating each customer, all are served with full attention, if the customer does not understand the information, or experiencing difficulties, Bank employees will immediately provide assistance and there is a sense of responsibility for employees

The excellent service strategy implemented by Lokus Bank towards the causes of customer complaints is to familiarize employees with agile attitudes to help and provide fast and appropriate service to customers when customers complain. Guarantee and Assurance, namely knowledge, courtesy, friendliness, and the ability of bank employees to serve customers when the complaint process is submitted.

The way the Bank measures customer satisfaction is by a special team that randomly comes to all branches in Indonesia and disguises themselves as customers. In this way, it can be assessed how the Bank handles customer complaints and in serving customers. The method gives good results for the Bank's assessment because it can increase customer satisfaction, and the head of the Bank will also know how the performance of his employees is.

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