Effect of Service Quality and Product Knowledge on Customer Loyalty through Customer Satisfaction at Bank BTPN Makassar Branch

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Abstract
Banking firms offer facilities as planned by consumers to promote consumer satisfaction. The benefits of the BTPN Operation and the Bank's flagship service are loans related to debtors. Still, an increase follows the increase in the number of customers in the number of service terminations. This research used a quantitative method that stressed data processing in variable trials to create a significant relationship between accepted variables. The study was performed at Bank BTPN Makassar Branch, Jalan Bawakaraeng No. 170-176, Balana District, Makassar Regency, Makassar City, approximately two months after the proposed review, from October to December 2019. The overall consumer population of the BTPN Makassar Branch with a total of 9.505 people in May 2019, with the number of respondents as many as 99 people who are consumers of sampling strategies utilizing the Slovin formula. This report's findings, which carried out the research and conversation process, indicate a variety of assumptions, namely: 1) Standard of service has a substantial positive effect in improving consumer happiness and customer loyalty. Improving the consistency of the services provided by the BTPN Makassar Branch would enhance customer loyalty. 2) Brand awareness has a detrimental influence but may not substantially improve consumer retention and customer engagement. Understanding high-quality goods from BTPN Makassar Branch customers cannot dramatically improve consumer loyalty.

Keywords: Service Quality, Product Knowledge, Customer Loyalty, Customer Satisfaction, Indonesia

1. Background
Banking firms offer facilities as planned by consumers to promote consumer satisfaction. Financial companies are now expected to utilize advanced technologies and automated processes to deliver quality services, especially in

banking services, to improve consumer loyalty. Customer satisfaction can be defined as loyalty to the service provided. Consumer engagement would help the long-term longevity of the customer retention elements of using the facilities and services offered by the Bank.

Linked to loyalty, Amin Widjaja (2008:6) claims that commitment is a kind of consumer loyalty to service providers. Consumer satisfaction may be affected by the service level that concerns the customer or not (Pahlawan et al., 2019). Customer satisfaction is the aim of any banking service provider. Loyal customers are more potent than loyal customers, so one loyal customer would increase the number of customers as they invite to use the service. On the opposite, if a consumer is not reliable, they will ask other customers to switch to another bank such that each Bank must pay attention to the satisfaction of its clients to build loyalty (Hikmah & Sulistyan, 2019). The level of service is something that may influence the satisfaction and loyalty of bank customers.

The benefits of the BTPN Operation and being the flagship service of the Bank are loans related to debtors. Besides, Bank BTPN has a fantastic service from Bank BTPN that will make it easy for customers to move to other banks free of charge. Various entrants are building this service to make it a struggle for Bank BTPN to accept customers.

From the comfort provided by Bank BTPN in the modern age, this does not mean that digital platforms do not have any disadvantages. The downside of automated banking systems is that smartphones and machines quickly hack data. Not from banks. However, data hacking may occur on users of online media affiliated with the negligence of the computer used. Another phenomenon linked to consumer satisfaction is the rise in the number of customers of the BTPN Makassar division. Still, an increase follows the increase in the number of customers in the number of service terminations.

2. Library Review
2.1. Quality of Service
In the book Fandy Tjiptono (2008: 86), Wyckoff discusses the concept of service quality as the degree of efficiency of the services provided to build consumer loyalty since the quality of service is connected to customer satisfaction services. The nature of the services delivered affects creating mutually profitable partnerships between the consumer and the Bank. The standard of banking services may also be calculated by evaluating the customer's opinion of the benefit obtained, whether it is successful or vice versa.

According to the American society for quality control, quality is the overall characteristics and characteristics of a product or service in terms of its ability to meet predetermined needs and is Latin in character (Irawan, 2009). The definition of service quality is centered on meeting the needs and desires of customers and their delivery to balance customer expectations, according to (Tjiptono, in Tangkilisan, 2007). Service quality is the level of excellence and control over that level of excellence to fulfill customer desires in other words.

There are two factors that influence service quality, namely Expected service and Perceived service. Kotler and Armstrong, (2005) argue that the service received or perceived is appropriate (Perceived service) as expected, and then the perceived service quality is good and satisfying. If the service received exceeds customer expectations, then the perceived service quality is bad. Thus, whether the quality of service is good or not depends on the ability of service providers to consistently meet customer expectations.

2.2. Product Knowledge
Nitisusastro (2012) talks about product awareness if the consumer has knowledge of the product's features and if the customer lacks information regarding the product, which can affect decision-making errors. The Bank can share brand information either through direct promotion or by other promotional media. Lin & Lin (2007) suggest that consumers' knowledge is dependent on information on the goods sold. Awareness of customer-owned retail goods would affect the actions of customer usage of services. Customers who experience the commodity may prefer to use guidelines such as cost pressures to assess the service.

2.3. Customer Satisfaction
Customer satisfaction may be used as a goal of the operational processes carried out by banks to retain their customers' loyalty. In alignment with Kotler's (2014: 150) opinion, it provides a view on customer satisfaction described as a feeling that will come to the customer's mind when contrasting the standard of the services offered

with the suit's quality. According to Keagen in Tjiptono's book (2004: 24), two deciding variables keep customers happier or not, including when customers complain and when customers can get the best service. If the consumer is presented with the full value and complies with requirements, they are fulfilled by the expectations that the Bank wants to offer the service as it is in the customer's view. So it produces a sense of satisfaction. The reverse is when the consumer experiences less good care and unfavorable perceptions (A'yun et al., 2017). The Bank's operation's customer value declines when the Bank offers services to consumers not as anticipated thus are impacting the decline in loyalty.

Customer satisfaction is the feeling of being happy or disappointed by someone as a result of a comparison between the perceived and expected perceptions of the product or service (Kottler, 2006). Basically, the notion of customer satisfaction includes the difference between the level of importance and the perceived performance or results. Engel (in Rangkuti, 2005) says that this definition can be applied in the assessment of satisfaction or dissatisfaction with a particular company because both are closely related to the concept of customer satisfaction. The level of satisfaction is a function of the difference between perceived performance and expectations (Kotler, 2007). Thus, customer expectations are the background why two organizations in the same type of business can be judged differently by their customers. In the context of customer satisfaction, expectations are generally estimates or customer beliefs about what they will receive. Their expectations are shaped by past purchasing experiences, comments from friends and acquaintances and promises from the company. These customer expectations develop over time as the customer experience increases.

2.4. Customer Loyalty
Consumer loyalty can be defined as a mixture of various mechanisms encountered by consumers and banks that cannot be seen even if it can be seen by evaluating many aspects that have affected customer happiness, such as service quality (Rangkuti, 2006). Consumer loyalty is a measure of commitment that emerges without pressure but arises through the customer's awareness of the past (Fandy Tjiptono, 2011). Utami (2006: 58) has shared a view on the concept of consumer loyalty, which demonstrates the customer's behaviors in the usage of the business repeatedly and gives advice to those when they have expertise in the use of service items.

3. Research Methods
3.1. Research Design
Mix method is a type of research that combines several research techniques such as questionnaires, direct observation, literature studies, and interviews (Bin Tahir & Rinantanti, 2016). Primary data collection is collected through the distribution of questions to BTPN bank Makassar branch customers, which is then processed using SmartPLS software by line analysis method. Quantitative research method according to Sugiyono(2013:13), quantitative research can be used to access research with specific samples. This study emphasizes processing data in variable experiments to obtain significant relationships between approved variables. The research was conducted at Bank BTPN Makassar Branch, Jalan Bawakaraeng no. 170-176, Balana District, Makassar Regency, Makassar City for approximately two months from the proposal exam, October to December 2019

3.2. Population and Sample
The research population is the entire customer of Bank BTPN Makassar Branch, with 9,505 people in May 2019. The sampling technique in this study used Slovin form (Sugiyono, 2008; Kanto et al.; Umanailo et al.; Umanailo) with a standard error of ten percent and the number of respondents as many as 99 people who are customers.

3.3. Data analysis techniques
In analyzing the data of the distribution of questionnaires and interpreting the data to provide a clear picture of the problems studied consists of:
1) Descriptive Analysis
Analysis conducted on the dissemination of questionnaires is a descriptive analysis used to analyze data by looking at the results of responses in general based on the average responses of respondents.

2) Validity Test
The feasibility of questions in questionnaires used as research instruments can be tested with validity tests. According to Uma Sekaran (2010), if the t count is more significant than 1.96, the data is declared valid for further testing. The drafting statement can be useful if it has a value and is ≥ if the value of 0.3 to 0.4 is declared valid.

3) Reliability Test
In PLS, reliability tests are known through the Cronbach alpha value for each variable and are said to be good α a more excellent value of 0.7.

4) Hypothesis Testing
The value of the path coefficient and indirect effect value is specific to the Bootsrapping SmartPLS data processing calculation results. If the path coefficient is positive, the influence between variables is also positive. If t calculate must be >1.96 and p values <0.05 for the relationship between variables to be declared significant. The t-count and p values are obtained with the help of the SmartPLS application through the Bootstrapping report.

3.4. Research Variables and Operational Definitions
This research consists of several variables with operational definitions and measurements that can be described as follows:
a. Zeithaml and Bitner (2000: 82) found that the quality of service (X1) is the extent of the advantages expected by customers in this research are Bank customers. Indicators of service quality: Physical Evidence, Reliability, Responsiveness, Assurance, and empathy.
b. Lin & Lin (2007) and Suwarman (2003) discuss product knowledge (X2) as a set of information about the products offered that cover several categories of service products. Product knowledge indicators: 1. Customer knowledge of Feature Features, 2. Service info from Bank officers, 3. Service info from relatives, and 4. Knowledge services from experience.
c. Fandy Tjiptono (2012) and Consuegra et al. (2007) explained customer satisfaction (Y1) as a form of response related to the evaluation results of the difference between expectations before using the service, and that felt when using a service. Indicators of customer satisfaction: 1. Cleanliness, 2. Hospitality, 3. Speed of service, 4. Company image
d. Griffin in Huriyati (2005: 154) explains customer loyalty (Y2) is a willingness to use the service repeatedly and recommend others to also subscribe to the service. Customer loyalty indicators: 1. Transactions, 2. Use of various services, 3. Recommending services, 4. Immunity from the appeal of similar services.

4. Results
The results of data processing of respondents' responses regarding the statements on the questionnaire are as follows:

Table 1. Hypothesis Testing Results

Relations between Variables	Coefficient	P Values	Information
Quality of service to customer satisfaction	0.788	0.000	accepted
Product knowledge on customer satisfaction	-0.061	0.421	rejected
Quality of service to customer loyalty	0.418	0.001	accepted
Product knowledge on customer loyalty	-0.098	0.330	accepted
Customer satisfaction with customer loyalty	0.381	0.001	accepted
Service quality towards customer loyalty through customer satisfaction	0.300	0.003	accepted
Product knowledge on customer loyalty through customer satisfaction	-0.023	0.453	rejected

Source: Primary data processed, 2020

Based on the results of hypothesis testing in the table above, then the results of observation of conditions in the field, supporting theories, previous related research, and interview results can be described as follows:

1) The effect of service quality on customer satisfaction shows that the quality of service significantly impacts customer satisfaction. It can be seen from p values below 0.05 where the better the quality of service, Bank BTPN Makassar Branch will increase customer satisfaction. In terms of empathy, Bank BTPN Makassar Branch has made every effort to provide maximum attention and service to all customers.

   The theory that is in line with this research put forward by Goetsch and Davis has been cited by Fandy Tjiptono (2007: 51). He describes quality as a series of dynamic conditions related to several factors that meet or exceed customer expectations. Simultaneously, Wyckoff's subsequent opinion in Fandy Tjiptono (2008: 86) defines service quality as an expected advantage to meet customer desires. Research from Dewi (2014) also found that good service quality will impact customer satisfaction, having a positive and significant relationship.

2) Product Knowledge's influence on Customer Satisfaction has an insignificant negative impact by looking at p values greater than 0.05. When knowledge products are improved, it will not affect the satisfaction felt by customers. This condition indicates that the product knowledge owned by BTPN customers of Bank Makassar Branch is not significant to influence the increased customer satisfaction. Even though the average customer response score of Bank BTPN Makassar Branch about product knowledge is in a high category. The theory that is in line with this research was put forward by Lin & Lin (2007), argues about the information known by customers basing on information about the products offered. Customers who understand the product will tend to use guidelines such as cost burden to evaluate a service. Previous research has also found a significant influence of product knowledge for increased customer satisfaction (Safrida, 2015)

3) The Effect of Service Quality on Customer Loyalty shows that p values are lower than 0.05, which indicates that the quality of service from Bank BTPN Makassar Branch has had a significant impact on increasing bank customer loyalty.

The results of service quality analysis with customer loyalty obtained empirical findings that the quality of service positively affects customer loyalty. Bank BTPN Makassar Branch Customers will be loyal to BTPN Makassar Branch customers even though other banks offer various services. Customers are currently mostly customers who have used Bank BTPN Makassar Branch's assistance for more than five years. Several factors make customers loyal. One of them is that the customer is facilitated with a service that allows the customer to no longer come to the service office to be straightforward for the customer. The process is also not complicated because Bank BTPN goes directly to the customer's house in need of a loan.

The theory that is in line with this research was put forward by Parasuraman, which states that customers will provide again for services after comparing services with those desired (Hidayat et al., 2009). Previous research also found the same research results where good service quality will positively affect increasing loyalty from customers (Santriono Refki, 2019).

4) The *effect of Product Knowledge* on Customer Loyalty shows p values >0.05 so that it can be known *if the Product Knowledge* owned by Bank BTPN Makassar Branch customers will not have a significant impact on increasing loyalty among Bank customers.

The theory that is in line with this research was put forward by Lin & Lin (2007) regarding product knowledge and its impact on customer loyalty only as product knowledge only as information about a service. Furthermore, Parasuraman, in the research that has been conducted by Hidayat (2009), suggested that customers will assess the services received. Previous research into this study also found no significant influence that product knowledge in forming loyalty is due to among loyal consumers who do not need to know about product knowledge (Safrida, 2015).

5) The effect of customer satisfaction on customer loyalty shows p values <0.05. If customer satisfaction increases, it will impact customers' condition who will be more loyal when Bank BTPN provides ease of online and offline transactions. One of the most significant corporate images of BTPN Bank is the ease of online and offline transactions. Bank BTPN has an easy-to-use mobile banking service. Likewise, offline transactions can be done in any branch with the same sound quality of service.

The theory in line with this research was put forward by Rangkuti (2006), which suggested that customer loyalty can be interpreted as a series of processes experienced by customers and banks. Also, It cannot be seen as a result of several factors that impact customer satisfaction on everything received from the Bank. According to Tjiptono (2011), customer loyalty will be a form of positive attitude towards a product or service accompanied by repeated purchases of services. Wahyuni Research, I. (2008) has also found a condition where customer satisfaction will directly impact the process of forming loyal customers.

6) Influence of quality service on customer loyalty through customer satisfaction shows p values <0.05. It can be interpreted that the perceived satisfaction can be used as a mediation variable for increased customer loyalty. It is indirectly influenced by the quality of service with a significant impact on previous research from Santriono Refki (2019), which achieved the same conditions.

7) The *influence of product knowledge* on customer loyalty through customer satisfaction shows that p values >0.05, which means customer satisfaction cannot be a variable mediation that significantly affects Product *Knowledge* towards increasing loyalty among customers of Bank BTPN Makassar Branch. Knowledge of the product is only an initial reference to compare what is known with what services are received. The customer can then feel satisfied or dissatisfied to form loyal customers further or not because to become a loyal customer does not have to have much knowledge about the products or services offered. Similarly, satisfaction does not significantly impact when used as a variable that mediates the indirect influence of experience on increased customer loyalty.

5. Conclusion

The results in this research that have been done the process of analysis and discussion show some conclusions, namely:

1) The quality of service has a significant positive impact on improving customer satisfaction. The better quality of services offered by Bank BTPN Makassar Branch will be able to increase customer satisfaction.
2) Product knowledge has a negative impact, but the effect is not significant to improve customer satisfaction. Understanding of high products from BTPN Makassar Branch customers cannot increase the joy felt by customers significantly.
3) The quality of service has had a positive and significant impact on improving customer loyalty. The better the quality of service, Bank BTPN Makassar Branch will be able to increase customer loyalty.
4) Product knowledge has a negative impact, but the effect is not significant on customer loyalty. Whereas high as the customer's knowledge of Bank BTPN Makassar Branch will be, the product can not significantly increase customer loyalty.
5) Customer satisfaction has a significant positive impact on increasing customer loyalty of Bank BTPN Makassar Branch. Customer satisfaction variables significantly influence the increasing customer loyalty of Bank BTPN Makassar Branch.
6) The quality of service has a positive impact on loyalty if mediated by significant customer satisfaction. The increasingly loyal customers of Bank BTPN Makassar Branch are significantly influenced by the high level of customer satisfaction for the quality of services received.
7) Product knowledge negatively impacts, but the impact is not significant on increased loyalty when customer satisfaction becomes a mediation variable for this indirect influence. The condition when the product knowledge owned by the customer of Bank BTPN Makassar Branch will not significantly increase customer satisfaction and increase customer loyalty.

6. Suggestions

The advice of this research can be described as follows:

1) To improve the quality of bank BTPN Makassar Branch services, it can further increase digital banking use for customers and prospective customers both in branch offices, city centers, and when serving customers outside the office.
2) To increase the knowledge of customers' products, BTPN Bank Makassar Branch must direct officers to be more proactive in introducing and offering products.
3) BTPN Makassar Branch must pay more attention to customer comfort to maintain customer satisfaction, especially in the service room.
4) It is recommended for further researchers to increase the number of respondents from Bank BTPN Makassar Branch customers for future research.

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