The Influence of Service Quality Factors on Customer Satisfaction in the Banking Sector in Batam City

Golan Hasan*, **Jenny Lim****

* Batam International University
** Management, Batam International University

Abstract- The aim of this research is to determine how factors related to service quality influence the level of customer satisfaction in the Batam City banking sector. In today's era of ruthless globalization, improving service quality is critical to attracting new customers and retaining old ones. In this research, customer satisfaction is the dependent variable, while the independent factors are price, trust, loyalty, service quality and product quality. Customer experience is also used as a mediating factor. This research involved 304 people selected at convenience using online Google Forms. Data analysis was carried out using the SmartPLS 3.0 and SPSS 25.0 programs. According to the results of statistical studies, service quality significantly influences customer satisfaction. However, research also shows that theories about customer experience and loyalty are unlikely to be accepted given the existing evidence. These results show more clearly how important service quality is for the Batam City banking industry to make customers satisfied.

Index Terms- Service Quality, Customer Satisfaction, Bank

I. INTRODUCTION

The current globalization period is making business competitiveness more fierce. Because of this, every business has had to implement the right tactics in order to effectively compete in the market. Improving the caliber of services offered to clients is one thing that may be done. Particularly in the service sector, services are essential to a business's success. One service sector that has a big impact on a nation's economy is banking. It is also an industry that offers services to the general public, which calls for the provision of top-notch services. One important factor affecting the banking sector is the effect that client satisfaction has on the quality of the services provided. Customer satisfaction may be raised by providing high-quality services, which will encourage clients to remain with the bank and use its services in the future. Poor service, on the other hand, might cause clients to become dissatisfied and lose their commitment to the bank.

According to research conducted on Islamic banks in Indonesia, good service levels have a positive impact on customer satisfaction. Their study shows that components such as client trust and loyalty influence the level of customer satisfaction, and customer satisfaction is strongly influenced by service quality, especially in Islamic banks in Indonesia [1]. According to research conducted regarding the influence of service quality on customer satisfaction in Indonesian commercial banks, service quality has a significant and positive impact on customer satisfaction [2]. This study found that high customer satisfaction and good service quality are closely related [3]. This data is taken from previous data from Bank Indonesia in 2015 and 2016.

Studies show that customer satisfaction in the Indonesian banking industry is significantly and positively influenced by service quality. Therefore, banks must continue to improve the quality of their services to meet the needs of their customers. Customer happiness is greatly influenced by the quality of service provided by the bank. When a bank succeeds in increasing customer satisfaction, its customers will become more loyal and more interested in using the services provided by the bank in the future. The aim of this research is to examine how service quality influences the level of customer satisfaction at banks in Batam. This research also aims to provide information to banks in Batam about the best ways to improve the quality of services provided to customers so that they are happier.

II. LITERATURE REVIEW

Do Thanh Nguyen, Van Thanh PHAM, Dung Manh TRAN, and Duyen Bich T. PHAM investigate how switching costs, consumer decisions, and service capacity influence customer loyalty in the use of e-banking services in commercial banks in 2020. know. This

research method collects data from 227 e-banking service users in Hanoi, Vietnam, most of whom are students and paid employees. A 7-point Likert scale questionnaire was used. According to research, there is a positive relationship between customer satisfaction and five e-banking service qualities: tangibility, empathy, responsiveness, and reliability [4].

Additionally, research conducted in 2021 by Bayad Jamal Ali, Pakzad Fadel Saleh, Shwana Akoi, Aram Ahmed Abdulrahman, Awezan Shamal Muhamed, Halwest Nowzad Noori, and Govand Anwar examined how operational and technical service quality influences encounter-related customer loyalty and satisfaction online in the Kurdistan region. The research results show that fulfillment will greatly influence customer satisfaction and customer loyalty. Businesses must pay attention to customer satisfaction through appropriate and high-quality services to increase their profits. Because privacy concerns can undermine customer trust, leaders must create stronger platforms to prevent information from being shared with third parties and protect their customers[5].

In the midst of the Covid-19 pandemic, Rumiyati and Afriapollo Syafarudin have studied how the marketing mix and service quality impact banking customer satisfaction. The ordinal and numeric scale questionnaire used in this research uses a Likert scale from 1 to 5. The research sample will include one hundred bank customers, consisting of many participants selected from a population of one thousand people. According to research, customer satisfaction is greatly influenced by a combination of marketing and service quality [6].

During the COVID-19 pandemic, Afriapollo Syafarudin conducted additional research on the relationship between product quality and customer satisfaction and loyalty. There is a relationship between customer satisfaction and product quality, according to research conducted on 150 regional bank functional units in Indonesia. In addition, customer satisfaction influences the level of customer loyalty [7].

Azidni Rofiqo, Vydika Harya Addinata, and Diyan Novita Sari researched customer satisfaction and trust in the relationship between service quality and customer loyalty at Bank Syariah Ponorogo. The research results show that customer satisfaction and trust are positively influenced by service quality. In addition, customer satisfaction functions as a link between customer loyalty and service quality in Islamic banks, and trust functions as a link between the two [8].

Andika Mubarok and Nirma Kurriwati conducted research on the quality of e-service and e-trust on customer satisfaction on the Bangkalan State Savings Bank mobile banking application. According to the research results, consumer satisfaction with the BTN Bangkalan Mobile Banking application is positively and significantly influenced by the quality of electronic services or e-service. The quality of electronic services or e-trust is also positively and significantly influenced by customer satisfaction when using the BTN Bangkalan Mobile Banking application[9].

Bayad Jamal Ali, Bayar Gardi, Baban Jabbar Othman, Shahla Ali Ahmed, Nechirwan Burhan Ismail, Pshdar Abdalla Hamza, Hassan Mahmood Aziz, Bawan Yassin Sabir, Sarhang Sorguli, and Govand Anwar conducted research on how customer satisfaction is influenced by service quality. Of the 124 surveys the researchers collected, 13 were deemed invalid, and another 111 were completed correctly. 111 of the surveys were included in the study target population. Four service qualities—empathy, responsiveness, assurance, and tangibility—are positively correlated with customer satisfaction, except dependability, which is negatively correlated with customer satisfaction[10].

According to research conducted by Julia Safitri, Suyanto Suyanto, Mursida Kusuma Wardani, and Sri Lestari Prasilowati (2020). The goal of this research is to find ways to increase customer happiness. The goal is to conduct an experiment to test and assess how pricing and sales promotions influence customer satisfaction through the mediating effect of service quality. In the Orange project store, one hundred visitors received a questionnaire. The research findings clearly show that, in addition to service quality, price and sales promotion factors influence customer satisfaction significantly. Service that either indirectly or partially influences prices and customer satisfaction [11].

The research was conducted by Ahmad Supriyanto, Bambang Budi Wiyono, and Burhanuddin Burhanuddin with the aim of measuring how customer satisfaction influences customer loyalty to the bank, how service quality influences customer loyalty, and how these two factors correlate with each other. consumer loyalty. Service quality does not really affect customer loyalty through customer happiness; however, service quality influences customer satisfaction and customer loyalty [12].

Sao Mai Dam and Tri Cuong Dam surveyed 299 people shopping at supermarkets in Ho Chi Minh City, Vietnam, to collect data for this study. The research objective is to link brand image, service quality, customer satisfaction, and customer loyalty. This study found that brand image is positively correlated with consumer loyalty and their satisfaction. Moreover, these findings clarify the good relationship between customer loyalty and their satisfaction [13].

Rodney Lim, Md. Uzir Hossain Uzir, Hussam Al Halbusi, and Ramayah Thurasamy used a structured questionnaire to collect data from 259 people returning home from a delivery service. Thiam Hock, Musheer A. Aljaberi, Najmul Hasan, and Mahmud Hamid are

the researchers who conducted this research. The aim of this research is to determine how customer satisfaction is influenced by the perceived value and quality of service provided by home delivery employees, with trust acting as a mediating factor. The conclusion is that service quality, perceived value, and trust influence customer happiness. Trust functions as an intermediary between customers' perceived value and their satisfaction, as well as between service quality and their satisfaction [14].

Ahmed Muneeb Mehta studied at a store in Pakistan in 2020. This study provides an explanation of how important perceived service quality and brand image are to customer happiness and loyalty. As a result, consumers can feel satisfied with grocery stores with reasonable product prices, availability of high-quality products, fast service, accurate information, and shorter checkout lines [15].

The study conducted by Salihah Khairawati aims to determine how customer loyalty programs influence consumer satisfaction and their impact on customer loyalty. According to research, Alfamart's customer loyalty program influences customer satisfaction levels. Membership cards and special prices offered to customers are influenced by customer loyalty [16].

Sadia Khatoon, Xu Zhengliang, and Hamid Hussain analyze the relationship between consumer purchase intentions and components of Electronic Banking service quality (E). They do this by using customer satisfaction as a mediator. Effectiveness, responsiveness, security, and privacy are some of the factors that significantly and positively influence consumer purchase intentions[17].

Bashir Ahmad Fida, Umar Ahmed Yousuf Al-Balushi, and Dharmendra Singh conducted research on four major Islamic banks in the Sultanate of Oman regarding how service quality influences customer satisfaction and loyalty. Research shows that the average respondent voted "Agree" in five categories: realism, responsiveness, reassurance, dependability, and empathy. Customer loyalty, service quality, and satisfaction are three variables that have a significant correlation [18].

Based on the diverse research mentioned earlier, the research model is illustrated in Figure 1.
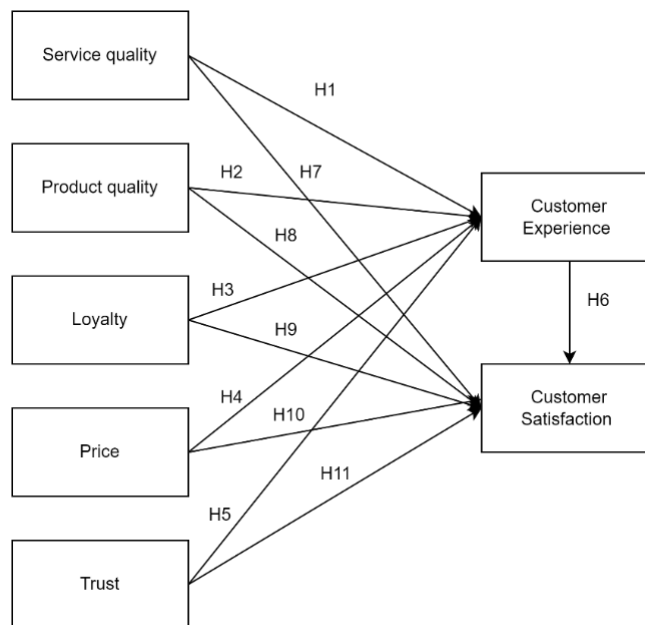

Fig. 1. Research Model

From the above model, hypotheses are formulated to achieve the following research objectives:

H1: Substantial influence of Service Quality on Customer Experience
H2: Substantial influence of Product Quality on Customer Experience
H3: Substantial influence of Loyalty on Customer Experience
H4: Substantial influence of Price on Customer Experience
H5: Substantial influence of Trust on Customer Experience
H6: Substantial influence of Customer Experience on Customer Satisfaction
H7: Substantial influence of Service Quality on Customer Satisfaction

H8: Substantial influence of Product Quality on Customer Satisfaction
H9: Substantial influence of Loyalty on Customer Satisfaction
H10: Substantial influence of Price on Customer Satisfaction
H11: Substantial influence of Trust on Customer Satisfaction

III.   METHODOLOGY

The stages in this research are the most fundamental as they aim to develop each theory. Based on its nature, this study employs causal-comparative research. Causal-comparative research is a type of study that compares two or more groups, where one group receives an intervention and the other does not [19]. In this research, causal-comparative research is used because it compares two or more groups to determine the influence of an independent variable (Service Quality, Product Quality, Loyalty, Price, and Trust) on the dependent variable (Customer Satisfaction).

In this study, the author uses the population of people using banking services in the city of Batam, employing the Non-Probability Sampling technique, where samples are selected without considering the probability of each unit in the population being chosen as a sample. Ideally, the sample size should be 100 or more. Generally, the minimum sample size is at least five times the number of items analyzed, and a more acceptable sample size is achieved with a ratio of 10:1. In this study, there are 27 questions, so the minimum required sample size is 27 x 10 = 270 samples. This test has three types of variables: mediation, dependent variables, and independent variables. Customer happiness is the dependent variable in this test, whereas pricing, trust, loyalty, product quality, and service quality are the independent factors. Moreover, customer experience serves as the mediator.

The data analysis technique employed in this research is Structural Equation Modeling (SEM). SEM is a statistical analysis technique used to model relationships between influencing variables. Overall, SEM is a useful analytical technique for modeling relationships between variables and understanding causal relationships among them. There are two types of structural models, including Partial Least Square Path Modeling (PLS-SEM) and Covariance-Based Structural Equation Modeling (CB-SEM). However, in this study, the author only utilized the PLS method.

IV.   RESULTS AND ANALYSIS

A. Descriptive Statistics Test Results

This research utilizes primary data processed based on information collected from January 2023 to June 2023 through an online survey (Google Form) targeting banking customers in the city of Batam. The random distribution of questionnaires is the data collection method for 350 respondents, with the returned and fully filled questionnaires amounting to 350.

Table 1: Descriptive statistics

Information	Number of Respondents
Distributed questionnaire	350 questionnaires
Returned questionnaire	350 questionnaires

The results of the descriptive research test in Table 2, specifically the gender data, indicate that there are 105 male respondents (30%) and 245 female respondents (70%). This indicates that the percentage of female respondents is larger than that of male respondents.

Table 2: Respondents by gender

Gender	Sum	Percentage(%)
Man	105	30.0

Woman	245	70.0
Total	350	100.0

The results the majority were in the showed that of respondents age group above 21 years, with 60 respondents (17.1%) aged 21 years, 150 respondents (42.9%) being between 21 and 35 years, 100 respondents (28, 6%) were between 36 and 45 years old, and 40 respondents (11.4%) were over 50 years old. The results showed that most of the respondents were in the age group above 21 years.

Table 3: Respondents by age

Age	Sum	Percentage(%)
21 years	60	17.1
> 21 – 35 years	150	42.9
36 – 45 years	28.6	28.6
<> 50 years	11.4	11.4
Total	350	100.0

The demographic representation of respondents based on education is presented in Table 5. It shows information from the test of respondents who are categorized based on their level of education: 200 respondents (57.1%) have a bachelor's, master's or doctoral degree, and 120 respondents (34.3%) have a diploma or associate degree. The research results show that the majority of respondents have a bachelor's, master's or doctoral degree.

Table 4: Respondents by education

Education	Sum	Percentage(%)
High school/vocational	30	8.6
bachelor's/master's/doctoral	200	57.1
diploma/associate	120	34.3
Total	350	100.0

Demographic information of respondents based on their work is presented in Table 6. The research results show that the majority of the 170 respondents (48.6%) work as private employees; 82 respondents (23.4%) worked as entrepreneurs; 83 respondents (23.7%) worked as Civil Servants or State-Owned Enterprises; 9 respondents (2.6%) worked as housewives; and 6 respondents (1.7%) did not work.

Table 5: Respondents by occupation

Occupation	Sum	Percentage(%)
private employees	170	48.6

entrepreneurs	82	23.4
Civil Servants/State-Owned Enterprises employees	83	23.7
housewives	9	2.6
unemployed	6	1.7
Total	350	100.0

According to Table 7, the the analysis of demographic representation of respondents is based on their monthly income level. It provides information about respondents' monthly income based on their survey results. There were 15 respondents (4.3%) with income below IDR 4,200,000; 150 respondents (42.9%) with income between IDR 4,200,000 and IDR 6,999,000; 72 respondents (20.6%) with income between IDR 7,000,000 and IDR 10,000,000; and 113 respondents (32.3%) with monthly income of more than IDR 10,000,000.

Table 6: Respondents by monthly income

Monthly Income	Sum	Percentage(%)
< Rp 4,200,000	15	4.3
Rp 4,200,000 to Rp 6,999,000	150	42.9
Rp 7,000,000 to Rp 10,000,000	72	20.6
> Rp 10,000,000	113	32.3
Total	350	100.0

Table 8 displays the demographic representation of respondents based on the banking services they use. According to the research results, 180 people surveyed (51.4%) used Bank BCA services, 57 people surveyed (16.3%) used Bank BRI services, 52 people surveyed (14.9%) used Bank BNI services, 54 people surveyed (15.4%) used Bank Mandiri services, and 7 people surveyed (2%) used Bank Riau Kepri services.

Table 7: Respondents by banking services

Occupation	Sum	Percentage(%)
BCA	180	51.4
BRI	57	16.3
BNI	52	14.9
Bank Mandiri	54	15.4
Bank Riau Kepri	7	2.0

Total	350	100.0

B. Model Evaluation Results

The results of external loading validity tests are represented in the form of coefficients, which show how well each indicator in the factor analysis or measurement model measures the relevant concept. Table 9 displays the external loading values for each research indicator variable, which shows the level of correlation between the indicator and the construct being measured. The results show that each indication meets the established standards and requires additional examination.

Table 8: Outer Loadings Test Results

Variable	Sample Mean (M)	Conclusion
CE.1 <- Customer Experience	0.869	Valid
CE.2 <- Customer Experience	0.870	Valid
CE.3 <- Customer Experience	0.885	Valid
CS.1 <- Customer Satisfaction	0.853	Valid
CS.2 <- Customer Satisfaction	0.885	Valid
CS.3 <- Customer Satisfaction	0.862	Valid
L.1 <- Loyalty	0.884	Valid
L.2 <- Loyalty	0.872	Valid
P.1 <- Price	0.859	Valid
P.2 <- Price	0.850	Valid
P.3 <- Price	0.850	Valid
P.4 <- Price	0.847	Valid
P.5 <- Price	0.825	Valid
PQ.1 <- Product Quality	0.861	Valid
PQ.2 <- Product Quality	0.841	Valid

PQ.3 <- Product Quality	0.831	Valid
PQ.4 <- Product Quality	0.845	Valid
PQ.5 <- Product Quality	0.828	Valid
SQ.1 <- Service Quality	0.867	Valid
SQ.2 <- Service Quality	0.820	Valid
SQ.3 <- Service Quality	0.837	Valid
SQ.4 <- Service Quality	0.831	Valid
SQ.5 <- Service Quality	0.865	Valid
T.1 <- Trust	0.843	Valid
T.2 <- Trust	0.874	Valid
T.3 <- Trust	0.816	Valid
T.4 <- Trust	0.854	Valid

In

confirmatory factor analysis, AVE is often used as a structural analysis measurement or as an indicator of construct validity. Constructs that have a validity score of more than 0.5 are considered to meet the requirements for excellent construct validity. Table 10 shows that all research factors—price, product quality, service quality, trust, loyalty, customer experience, and customer satisfaction—were considered valid.

Table 9: Average Variance Extracted (AVE) Test Results

Variable	Average Variance Extracted (AVE)	Conclusion
Customer Experience	0.765	Valid
Customer Satisfaction	0.751	Valid
Loyalty	0.772	Valid
Price	0.717	Valid
Product Quality	0.708	Valid
Service Quality	0.925	Valid
Trust	0.910	Valid

The AVE variable is 0.765, the customer satisfaction variable is 0.751, the loyalty variable is 0.772, the price variable is 0.717, the product quality variable is 0.708, the service quality variable is 0.925, and the trust variable is 0.910. The validity test table above shows the results; each variable meets the requirements for very good validity.

Reliability testing results are usually used to ensure that the measurement tools or indicators used in research provide consistent and reliable results. Reliability testing results refer to an assessment of the consistency or level of reliability of measuring instruments or indicators used in research. Composite reliability and Cronbach's alpha were used to evaluate reliability in this study.

Table 10: Cronbach's Alpha Test

Variable	Composite Reliability	Conclusion
Customer Experience	0.847	Reliable
Customer Satisfaction	0.834	Reliable
Loyalty	0.704	Reliable
Price	0.901	Reliable
Product Quality	0.897	Reliable
Service Quality	0.899	Reliable
Trust	0.869	Reliable

Customer 0.834, the variable is price variable product variable is service quality 0.899, and the is 0.869 the customer variable. shows that meets the

satisfaction is loyalty 0.704, the is 0.901, the quality 0.897, the variable is trust variable resulting from experience Table 11 each variable requirements

for excellent validity, and Table 4.9 shows the Cronbach's alpha reliability of each variable.

Composite reliability is a criterion used to assess the internal dependence of a model structure. Higher numbers in the composite reliability range (from 0 to 1) indicate higher reliability. The combined dependability must exceed 0.7 or 0.8 to be considered reliable. Table 12 shows that each variable has acceptable dependence.

Table 11: Composite Reliability Test Results

Variable	Composite Reliability	Conclusion
Customer Experience	0.907	Reliable
Customer Satisfaction	0.901	Reliable
Loyalty	0.871	Reliable
Price	0.927	Reliable
Product Quality	0.924	Reliable
Service Quality	0.925	Reliable
Trust	0.910	Reliable

The results of the model structure test include evaluation and analysis of the relationships between the variables of the proposed structural model. To produce inner model structural test results, this research uses the path coefficient method, which assesses the relationship between variables in the model. The path coefficient method produces path coefficient values that indicate the direction and intensity of correlation between variables in the model.

The path coefficient value ranges between -1 and +1. When the value is close to +1, it shows a strong positive relationship between the relevant variables, but when the value is close to -1 it shows a significant negative relationship. The t-statistic threshold value that determines whether the proposed hypothesis is accepted or rejected is ±1.96. If the t-statistic value of the path coefficient is greater than ±1.96, which indicates that the path coefficient is statistically significant, then the hypothesis can be accepted or rejected. For the hypothesis to be accepted, the research p value must be less than 5% or 0.05. This helps researchers in assessing the statistical significance of the correlations between the variables involved in the model being studied.

Table 12: Path Coefficient Test Results

	T Statistics	P Values	Conclusion
Service Quality -> Customer Experience	3.264	0.001	H1: Significant
Product Quality -> Customer Experience	3.752	0.000	H2: Significant
Loyalty -> Customer Experience	1.930	0.054	H3: Insignificant
Price -> Customer Experience	3.402	0.001	H4: Significant
Trust -> Customer Experience	2.169	0.031	H5: Significant
Customer Experience -> Customer Satisfaction	0.806	0.421	H6: Insignificant
Service Quality -> Customer Satisfaction	2.984	0.003	H7: Significant
Product Quality -> Customer Satisfaction	2.514	0.012	H8: Significant
Loyalty -> Customer Satisfaction	1.495	0.136	H9: Insignificant
Price -> Customer Satisfaction	2.851	0.005	H10: Significant
Trust -> Customer Satisfaction	3.862	0.000	H11: Significant

Hypothesis 1: Service Quality significantly influences Customer Experience.
Service quality greatly influences customer experience. The results of data analysis are shown by the first hypothesis: the p-value is 0.001 (less than 0.05) and the t-statistic value is 3.264 (more than 1.96). Based on the data provided, it can be concluded that these two criteria meet the specified conditions. Therefore, the initial hypothesis of this research can be accepted.

Hypothesis 2: Product Quality has a significant effect on Customer Experience.
Product quality improves customer experience. The results of data processing for Hypothesis 2 show that the p-value is 0.000 (less than 0.05) and the t-statistic value is 3.752 (more than 1.96). The second hypothesis of this study is accepted based on current evidence because both criteria meet the previously mentioned conditions.

Hypothesis 3: Loyalty does not have a significant positive effect on Customer Experience.
Customer Experience is not much improved by loyalty. Data processing findings for Hypothesis 3 show that the p-value is 0.054 (>0.05) and the t-statistic value is 1.930 (<1.96). The third hypothesis of this study was rejected because it was clear from the existing data that none of the criteria met the stated conditions.

Hypothesis 4: Price has a significant effect on Customer Experience.
Price greatly impacts customer experience. The results of data processing for Hypothesis 4 show that the p-value is 0.001 (less than 0.05) and the t-statistic value is 3.402 (more than 1.96). The fourth hypothesis of this study is accepted because both criteria meet the conditions stated.

Hypothesis 5: Trust has a significant effect on Customer Experience.
Trust in customer experience is significant. The results of data processing for Hypothesis 5 show that the p-value is 0.001 (less than 0.05) and the t-statistic value is 2.169 (more than 1.96). The fifth hypothesis of this study is accepted because the current data shows that both criteria meet the conditions.

Hypothesis 6: Customer Experience does not have a significant effect on Customer Satisfaction.
Customer experience does not have much influence on customer satisfaction. The results of data processing for Hypothesis 6 show a p-value of 0.421 (greater than 0.05) and a t-statistic value of 0.806 (less than 1.96). The sixth hypothesis of this research is rejected because the current data shows that one of the criteria does not meet the requirements.

Hypothesis 7: Service Quality has a significant effect on Customer Satisfaction.
Good service influences customer satisfaction. The results of data processing for Hypothesis 7 show that the p-value is 0.003 (less than 0.05) and the t-statistic value is 2.984 (more than 1.96). Based on currently available information, it can be concluded that these two criteria meet the requirements. Thus, the seventh hypothesis of this research can be accepted.

Hypothesis 8: Product Quality has a significant effect on Customer Satisfaction.
Product quality greatly influences consumer satisfaction. The results of data processing for Hypothesis 8 show that the p-value is 0.012 (less than 0.05) and the t-statistic value is 2.514 (more than 1.96). The eighth hypothesis of this study is accepted based on current evidence because both criteria meet the stated conditions.

Hypothesis 9: Loyalty does not have a significant effect on Customer Satisfaction.
Loyalty does not have much influence on customer satisfaction. The results of data processing for Hypothesis 9 show a p-value of 0.136 (above 0.05) and a t-statistic value of 1.495 (below 1.96). The ninth hypothesis of this research is rejected because the current data shows that one of the criteria does not meet the requirements.

Hypothesis 10: Price has a significant effect on Customer Satisfaction.
Price affects customer satisfaction. The results of data processing for Hypothesis 10 show that the p-value is 0.005 (less than 0.05) and the t-statistic value is 2.861 (more than 1.96). The tenth hypothesis of this study is accepted because the current data clearly shows that both criteria meet the requirements.

Hypothesis 11: Trust has a significant effect on Customer Satisfaction.
Belief in customer satisfaction is very important. The results of data processing for Hypothesis 11 show a p-value of 0.000 (greater than 0.05) and a t-statistic value of 3.862 (greater than 1.96). The eleventh hypothesis of this study is accepted based on current evidence because both criteria meet the stated requirements.

Table 13: R Square Test Results

Variable	R Square	Percentage (%)
Customer Experience	0.828	82.8
Customer Satisfaction	0.815	81.5

Table 14 shows that based on the results, customer experience has an R Square value of 0.828, or 82.8 percent. Based on these figures, it can be concluded that factors such as price, trust, loyalty, service quality and product quality account for 82.8 percent of the customer experience. Meanwhile, customer satisfaction has an R Square value of 15.0 percent, which shows that customer satisfaction is 81.5 percent.

Table 14: Quality Index Test Results

AVE	R Square	GoF	Conclusion
0.734	0.815	0.776	strong

First, the goodness of fit (GoF) test needs to be used to determine the fitness of the study model. A model is deemed feasible if its GoF value is more than 0.5, and the research model in the above table is deemed eligible for usage based on its value of 0.776.

V. CONCLUSION, LIMITATIONS AND RECOMENDATIONS

A. Conclusion

The results of this study indicate that there are many important influences in the framework studied. First, this research found that Service Quality has a significant effect on Customer Experience with a t-statistic value of more than 1.96 (3.264) and a p-statistic value of less than 0.05 (0.000). Second, this research found that there is a significant relationship between Product Quality and Customer Experience, even though the p-value is higher than 0.05 (0.054) and the t-statistic value is less than 1.96 (3.264). In addition, price is proven to have a significant effect on customer experience, with a t-statistic value higher than 1.96 (3.402) and a p-value lower than 0.05 (0.001). In addition, trust is proven to have a significant effect on customer experience, with a t-statistic value

higher than 1.96 (2.169) and a p-value lower than 0.05 (0.001). Based on the results, this research concludes that service quality and product quality greatly influence customer satisfaction. This is indicated by t-statistic values above 1.96 (2.984 and 2.514, respectively) and p values below 0.05 (0.003 and 0.012, respectively). However, because the p value is above 0.05 (0.135) and the t-statistic value is below 1.96 (1.495), the influence of customer loyalty on customer satisfaction is not supported. Finally, it is proven that trust has a significant influence on customer satisfaction; p value is less than 0.000 and t-statistic value is greater than 1.96 (3.862). Except for the influence of loyalty on customer satisfaction and experience, this research supports most of the hypotheses.

B. Limitations

This research has certain limitations, including the following aspects: Firstly, the study was conducted in Batam City, and as such, the results may not be directly generalizable to the banking population in other locations. Variables and relationships investigated could vary in different contexts. Secondly, the research was carried out within a specific time frame. Changes in the banking environment or customer preferences might occur after the completion of the study. It is essential to consider these factors when interpreting the results and the relevance of the research findings to current conditions.

C. Recomendations

Several suggestions emerge from research regarding the influence of service quality factors on customer satisfaction in the Batam banking sector. First, the research sample size might be expanded to cover more banks in Batam or cover other geographic areas. In this way, research results can be generalized to a wider population. In addition, further research must use a quantitative approach to collect more measurable data. This will provide stronger statistical validity for evaluating the relationship between service quality and customer satisfaction. The goal of these recommendations is to increase the depth and applicability of research in this area in the future.

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