The Influence of Physical Environment and the Quality of Employees' Services to Customer Loyalty through Customer Satisfaction (Case Study at PT Mandiri Bank Jakarta Branch Cimanggis)

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Abstract: Service is an important factor in competition for banking services industry. Effective and efficient services can have a positive impact on the economic sustainability of a bank. Strategy that can be applied is giving more attention to the physical environment and employee's quality of service so that will impact on customer satisfaction and customer loyalty. This study aims to determine the effect of relationships between servicescape, employee service quality, customer satisfaction and customer loyalty. This study uses secondary and primary data distributed to 150 respondents of Bank Mandiri, co, Ltd Branch Jakarta Cimanggis. The sampling method used was purposive sampling. The method of analysis used in this study is Structural Equation Modeling (SEM) with LISREL 9 method. The results showed that the servicescape and employee service quality have a positive significant effect on customer loyalty through Customer Satisfaction at Bank Mandiri, co, Ltd Branch Jakarta Cimanggis.
Keywords: Servicescape, Employee Service Quality, Customer Satisfactiom and Customer Loyalty.

INTRODUCTION

PT. Bank Mandiri, Tbk is a state-owned commercial bank (BUMN), a business combination of Bank Bumi Daya (BBD), Bank Dagang Negara (BDN), Indonesian Development Bank (Bapindo) and Bank Ekspor Impor Indonesia (Bank Exim) and PT. Bank Mandiri, Tbk was established on October 2, 1998 under Deed No. 10 dated October 2, 1998. Currently in the field of banking industry services are very strict in improving the quality of service. In the third stage of 2015-2020, all banks in Indonesia compete for the hearts of people to become its customers. Currently PT. Bank Mandiri, Tbk is focusing on realizing the vision of becoming Indonesia's Best ASEAN's Prominent in 2020. PT. Bank Mandiri, Tbk has a big goal to become the best bank in Indonesia and become the leading bank in ASEAN. Several strategies have been undertaken to realize the vision, including making fundamental changes through organizational alignment so as to pursue bank business growth targets in the years to come.

To that end, in banking services must be able to maintain its quality with proactive, aggressive, innovative and full of spirit and have some predicate that has been issued by MRI or Marketing Research Indonesia. In the assessment of the service, PT. Bank Mandiri, Tbk has performance appraisal outside of each business unit employee by using CSI (customer satisfaction index) calculation. Which is where the CSI as a value that represents the work unit performance of the satisfaction result of service quality given. Indicators in the assessment of services used by PT. Bank Mandiri Tbk: (1) CSX (customer satisfaction and experiance score) is how high the level of customer satisfaction of products and experience felt at Bank Mandiri (assessed by team via phone or visit). (2) SES (service excellence survey) ie visits from MRI. (3) CES (customer effort score) is the level of customer satisfaction aka perceived process. (4) NPS (net promoter score) is how much the customer wants to recommend products or services of independent banks.

Therefore, the assessment of services is necessary to improve the performance of each bank. In 2016 PT. Bank Mandiri, Tbk experienced a decrease in assets in performance when compared with 2014 and 2015. This condition can be caused by several factors, one of which customer dissatisfaction on the quality of services provided at PT. Bank Mandiri, Tbk. This can be proven by financial statement data in 2014, 2015 and 2016:
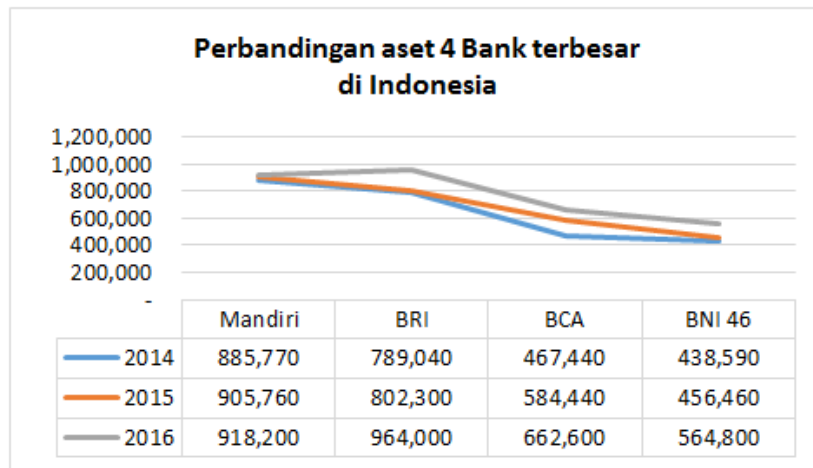
Fig-1: The largest asset ratio of 4 Banks in Indonesia in 2014-2016 (in Trillion)
Source: financial statements of PT Bank Mandiri Cab Jakarta-Cimanggis (2016)

Based on Fig 1 in the financial statements from 2014 to 2016 PT. Bank Mandiri, Tbk has the strongest competitors such as BRI, BCA and BNI 46. In 2014 to 2015 PT. Bank Mandiri, Tbk has increased in terms of assets, which in 2014 the value of assets of PT. Bank Mandiri, Tbk of 885.77 T to 905.76 T. So that the order of PT. Bank Mandiri, Tbk came first. But in second place with the acquisition of Rp. 802.30 T (BRI), third place with acquisition of Rp. 584.44 T (BCA) and the last fourth is BNI 46 with the acquisition of Rp. 456.46 T. So that PT. Bank Mandiri, Tbk is superior to its competitors. Meanwhile, in 2016 PT. Bank Mandiri, Tbk experienced an increase in assets from 2015 to 2016, which in which the performance did not produce results from the position of bank ratings. So the order of PT. Bank Mandiri, Tbk is second with Rp. 918.2 T, where PT. Bank Mandiri, Tbk slumped to second and first place with Rp. 964 T (Bank BRI) in which Bank BRI experienced growth in asset side of Rp. 162 T. Growth of assets can be seen from several indicators one of them by looking at services that can be provided to customers. The customer can feel and judge what the bank provides from what the customer sees in the physical environment. Physical environment for the bank which is a form of service itself that can affect the behavior and response of customers to services provided by the bank.

According to Yazid [1] physical evidence covering all aspects of the physical facilities of the organization which is the environment created, man-made, environmental services. That is where the dimensions of the *servicescape* or physical environment will affect consumers through exterior attributes examples include parking, signs or marks in the *banking hall*, the page and garden and interior attributes Examples include design, layout, lighting, equipment used). It is very important to banks because it will have a direct impact on customer satisfaction. Bitner [2] stated that the physical environment affects customer satisfaction towards the services provided. For services, the use of the physical creative design can support the segmentation strategy and placement as well as strengthen the marketing specific goals such as customer satisfaction and customer attention. This means that customer satisfaction can be maximized by using physical design in the form of *servicescape* as marketing strategies of service providers. The same opinion was expressed by Hightower [3] that the physical environment the company designed for the needs of employees and customers will be more satisfying its customers than companies that do not pay attention to the needs of employees and customers. This indicates that the customer will attempt to maximize their satisfaction by choosing a bank that provides services according to their needs.

Customer Satisfaction can also affect *employee service quality* of the bank itself. Quality of service employees can be seen from the way employees serve customers and how to treat customers. This can affect the customer in choosing the bank that will be used, so that management in the service of a business should pay attention to the impact of the quality of the ability and attitude of employees in serving consumers. Organization of a business service will benefit if consumers were satisfied with the service given by employees who serve, in accordance with the wishes and needs of customers [4]. Quality of service is so noted for PT Bank Mandiri branch Jakarta cimanggis so the customer be satisfied and have an impact upon a sense of loyalty that created itself.

In this case does not match expected by PT. Bank Mandiri, Tbk. in conditions of 2016-2017 year especially Bank Mandiri branch Jakarta, Cimanggis, located on the area of pasar rebo, East Jakarta experienced a shrinkage in providing quality pelayananya against the customer so that the customer almost 30% prefer leaving PT Mandiri Bank Jakarta

branch, Cimanggis, or move to the bank recognised his rival i.e. BRI, BNI and BCA 46 for area of East Jakarta. This supported the existence of data that PT Bank Mandiri branch Jakarta Cimanggis suffered shrinkage from the year 2015 to 2016:

Table-1: The Growth of Assets Compiled (%)

	2014	2015	2016
MANDIRI	17.4	19.5	6.3
BNI 46	10.6	13.2	25.1
BRI	13.9	15.8	17.4
BCA	7.7	8,6	9.5

Source: archives of Data and Bank Mandiri PT. Cab. Jakarta-Cimanggis (2016)

Based on the table above performance results that PT Mandiri Bank Jakarta branch, Cimanggis in 2014 to 2015 growth of 17.4% to 19.5% of 2.1% and in 2015 to 2016 experiencing depreciation amounted to 13.2% to 6.3% in which competitors from PT. Mandiri Bank Jakarta branch, Cimanggis, experiencing growth in assets.

Table-2: The Growth of the Funds Collected (%)

	2014	2015	2016
MANDIRI	15.4	17.8	5.6
BNI 46	7.4	9.7	19.6
BRI	10.1	12.8	14.3
BCA	7.7	8,6	10.7

Source: archives of Data and Bank Mandiri PT. Cab. Jakarta-Cimanggis (2016)

Based on the table above performance results that PT Mandiri Bank Jakarta branch, Cimanggis in 2014 to 2015 growth of 15.4% to 17.8% of 2.4% and in 2015 to 2016 experiencing depreciation amounting to 12.2% to 5.6% in which competitors from PT. Mandiri Bank Jakarta branch, Cimanggis, experiencing growth in funds collected.

Table-3: The disbursed loan growth (%)

	2014	2015	2016
MANDIRI	10.4	13.8	10.5
BNI 46	8.3	10.7	23.7
BRI	11.1	13.2	17.4
BCA	6.5	7.3	11.6

Source: archives of Data and Bank Mandiri PT. Cab. Jakarta-Cimanggis (2016)

Based on the table above performance results that PT Mandiri Bank Jakarta branch, Cimanggis in 2014 to 2015 is experiencing a growth of 10.4% to 13.8% of 3.4% and in 2015 to 2016 suffered shrinkage of 3.3% to 10.5% in which competitors from PT. Mandiri Bank Jakarta branch, Cimanggis, experiencing growth in loans disbursed. In this case, the decrease in growth performance in generate PT. Mandiri Bank Jakarta branch, Cimanggis, which will directly impact to the independent group in paying out compensation cost backup (CKPN) of 10 Trillion to the country so that will have an impact to the company's profit of 28.7%) or (minus the equivalent of 7.1 Trillion and that data will affect the level of customers loyalty.

This strengthened by the existence of data savers account year 2014 to 2016 against consumer loyalty on PT. Mandiri Bank Jakarta branch, Cimanggis, which does occur in Bank Mandiri.
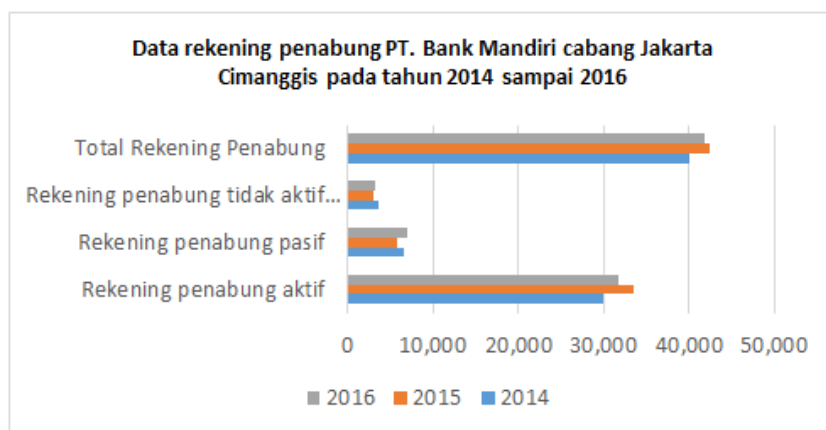
Fig-2: Account data depositors in PT Bank Mandiri, Branch of Cimanggis Jakarta
Source: the Data and archive PT. Bank Mandiri Branch Jakarta Cimanggis (2016)

Based on Fig 2 which total account depositors at PT Mandiri Bank Jakarta branch, Cimanggis, from 2014 to 2015 growth of 42,300 people, who earlier in the year 2014 of 40,000 people. While in 2015 to 2016 PT. Bank Mandiri branch Jakarta Cimanggis experience shrinkage in the total account savers be 41,900 people. As for the elaboration of a total account savers include accounts of depositors is inactive (*dormant*) in the year 2014 (4,000 people) to 2015 decline into 3,000 people. But in 2015 to 2016 PT. Bank Mandiri branch Jakarta in Cimanggis savers account is inactive (*dormant*) increased by 3,200 people. For the category of passive savers account, in 2014 (6,000 people) to 2015 is experiencing shrinkage become 5,800 people. While in 2015 to 2016 on account of the passive savers be 7,000 people. For active savers account category, in the year 2014 (30,000 people) to 2015 have elevated into 33,500 people. While in 2015 to 2016 PT. Bank Mandiri branch Jakarta Cimanggis experiencing shrinkage be 31,700 people. Alert condition PT. Mandiri Bank Jakarta branch, Cimanggis, the growth decline, then the bank mandiri branch Jakarta Cimanggis must work extra in assisting PT Bank Mandiri, Tbk in General by targeting his vision bank best in ASEAN**.**

Thus, in this study will discuss about The analysis of the The influence of the Physical environment (Servicescape) and quality of service employees (Employee Service Quality) against Consumer Loyalty (Customer Loyalty) through consumer satisfaction (Customer Satisfaction) at PT. Bank Mandiri branch Jakarta Cimanggis.

Formulation of the Problem

Corresponds to the background research that has been expressed above, the researcher formulates the research issues that will be discussed. The following is an outline of the problems in this study: (1) How the physical environment affects customer satisfaction? (2) How quality of Service Employees affect consumer satisfaction? (3) How do consumer satisfaction influence on Consumer Loyalty? (4) How the physical environment affects Consumer Loyalty? (5) what is the quality of service of Consumer Loyalty to Employees? (6) How the physical environment affects Consumer Loyalty through customer satisfaction? (7) How quality of Service Employee influence on Consumer Loyalty through customer satisfaction?

The Study of Theory

To give direction and Foundation for research, then this section will set out various theories – the theory relating to physical environment (*servicescape*), quality of service employees (*employee service quality*), customer satisfaction (*customer satisfaction*) and consumer loyalty (*customer loyalty*) on Bank Mandiri, PT. Jakarta branch Cimanggis.

Physical Environment (*Servicescape*)

According to Yazid [1] states that physical evidence covers all aspects of the organization's facilities which is a created environment, man-made, service environment. Servicescape can be likened to landscape. These include exterior facilities (landscape, exterior design, sign, parking, environment) and interior amenities (interior design & decoration, equipment, signs, layout, air quality, temperature and ambience). Servicescape along with other physical evidence such as business cards, office supplies, billing reports, reports, employee clothing, uniforms, brochures, web pages and virtual service forms 'physical evidence' can play an important role in service marketing. Servicescape has dimensions used to measure success rates.

The physical environment or servicescape is a support facility that affects the behavior of consumers and employees in a service. Servicescape is designed with an overview and feeling that it will be in line with the service concept. Services that will be perceived by consumers should have tangibles factor that is supporting facilities, equipment, employee and communication materials because tangibles factor can influence consumer's judgment on service quality as a whole. Physical conditions such as cleanliness are

visible evidence to gain more attention from service providers [5, 6].

This study will use several dimensions of Hooper et al's research 6], to measure servicescape ie 1). Ambience. This is demonstrated by the statement of pleasant music, adequate lighting, a delicious aroma in the room and background music in accordance with the theme of the restaurant 2). Design. This is demonstrated by the attractive visual statement of interior design, subtle interior design, appropriate color schemes, attractive architecture. 3). Space. This is demonstrated by adequate room statements and easy roads without any object being obstructed. 4). Equipment. This is demonstrated through statements about modern equipment, good equipment and good equipment quality. 5). Hygiene. This is indicated by the hygiene statement indicated by the company, cleanliness of the company and the appearance of clean and neat employees.

Employee Service Quality

Management in a business service should pay attention to the impact of the quality of the ability and attitude of employees in serving consumers. Organization of a business service will benefit if consumers were satisfied with the service given by employees who serve, in accordance with the wishes and needs of customers [4]. Things that influence the relationship of service quality assessment were conducted of consumers. Services desired by consumers that is unique and would like to be served individually. However, the Ministry individually for some consumers require a longer time for employees. Thus, employees must be given training by the company so that they are able to focus on serving the needs of individual consumers at the same time but still follows the standard time has been set by the company [7].

According to research Cockrill *et al*. [8], *staff knowledge* is a thing that should be on notice by marketers; consumers will determine the good or bad of a Ministry based on knowledge about the service can be performed by employees who serve him.

According to research Grönroos [9] in Hooper *et al*. [6], dimensions of *employee service quality* is *functional.* The dimensions of this performance are the service which can be shown by a service company. Consumers not only assess the results of service but the service of process is also assessed. This was confirmed by Hooper *et al*. [6], that the dimensions of *employee service quality* that is *functional*. This dimension is the technical aspect of employees in delivering services to consumers. This technical ability is an important role in the overall service.

According to the research of Keyser and Lariviere [10], *functional quality* is the way service

companies to deliver technical quality to the consumer. As an example, the experience of the complacency that can be felt by consumers for enjoying the services performed by the company.

Several previous studies have shown dimensions that affect *employee service quality*. This research will use the research dimension of Hooper *et al*. [6], to measure the *employee service quality* that is *functional* this is shown with fast service, employees are helpful, very quick service or in accordance with the will of consumers, employees reliable and courteous.

Customer Satisfaction

According to Kotler [11] consumer satisfaction or *customer satisfaction* is a feeling happy or upset someone who comes from a comparison between an impression against the performance of a product or service with hope. Satisfaction evaluation material as consumers against products or services under the conditions of the product or service can meet the needs and expectations for consumers [12].

Bloemer and Schoder [3] stated that consumer satisfaction as an item of the scale to the overall feeling of the consumers of a service, also pointed that the quality of service is derived from the satisfaction of consumers and that satisfaction is significant effect on the level of consumer loyalty.

Satisfy consumer expectations for customer satisfaction is an important aspect for the consumer or the company that provides the service. Customer satisfaction or *customer satisfaction* can be formed due to the process that occurs or results from that process [13]. The importance of consumer satisfaction in financial services has been widely discussed in the literature and the Arbore Busacca [14] in Masrek *et al.* [15] States that the existence of the determinants of consumer satisfaction in banking services, namely: (1) the functional Qualities: reliability, speed, accuracy and functionality (2). Relational qualities: responsiveness, assurance, hospitality, courtesy, commitment and communication. (3) The ease of: opening hours, distance, trip time queues, parking ATM availability (4). The degree of the economy: like flowers, price quality, ratio, Justice Price. (5) *Tangibles*: the physical layout and physical facilities, furniture, decoration, the atmosphere of the environment branch of the Environment Branch, cleanliness, size and furnishing spaces consumer, employee uniforms (6). The problem: handling and *recovery*.

Companies must be able to measure how well the consumer satisfaction after getting services from the company. According to Kotler and Keller [16], to measure customer satisfaction there are a number of ways including: (a) the system of complaints and suggestions, perusahaan can provide the form of

complaints and suggestions that can be filled every consumer. The form can be placed at each entrance and reception tama. In in the form of consumer can convey their complaints in writing, so that the company can know kesuli.tan faced by consumers and businesses can take steps to resolve the issue. In addition, consumers are also asked to provide suggestions on improving the services of the company. (b) Consumer satisfaction Survey, perusahaan assume that the system of complaints and suggestions were less successful, because there are still consumers who assume even though they write down complaints and suggestions, the company did not respond so it would be a waste of time. Due to an oversight of the innovative firm thus will hold a survey to find out the extent of satisfaction of the consumers towards their product or service. (c) A *Ghost shopping,* perusahaan can send people to pretend to be buyers of their products or services or the products of its competitors. Buyers can file this pretend a problem on salespeople in charge and see how they solve the problem.

Customer Loyalty

According to Kotler and Keller [11] States that the fidelity or loyalty is strong-held commitment to buy back towards a product or service in the future, despite the influence of the situation and marketing efforts potentially causing perelihan behavior. With regards to *customer loyalty* or Fidelity's treatment of consumer service providers is very important because it treats customers well and properly is one way to maintain consumer kesetian [17].

Griffin [18], there are several advantages that will accrue to the company when the game can be a loyal consumers, among other things: (1) Reduce marketing costs (due to costs to attract new consumers are more expensive). (2) reduce transaction costs (such as costs of negotiating contracts, processing orders, etc.) (3) reduce the cost of *turn over* consumers (because fewer consumers turn). (4) Increased sales x that will enlarge the market share of the company. (5) *Word of mouth* more positive assuming that consumers are loyal also means those who were satisfied. (6) Reducing the cost of failures (such as the cost of turnover, etc.).

Based on explanation above each company has indeed should implement measures aimed at creating and improving consumer loyalty. To be able to become a loyal consumer, a consumer had to start several stages. Having regard to their respective stages and meet the needs in each stage, the company has greater opportunities to form *new customer* into a loyal kosumen and *client* companies. Hill [19] in Sugiyono [20] States there are several levels of loyalty was divided into 6 levels, namely (1) a *Suspect*, this section includes all buyers of a product or service in the marketing. Suspects are aware of the company's product or service or have no inclination towards a purchase. (2)

Prospects, prospects is a potential consumer who has an attraction to the company but did not take the step to do business with the company. (3) *Customers,* a type of product purchase (although in this category including some purchases) that do not have kesetian on the company. (4) *Clients,* pemebelian re shows loyalty on the company but rather have encouragement than passive active against the company. (5) *Advocates, client* which gives a positive boost on the company with recommended it to others. (6) *Partners, partners* is a very close-knit relationship with suppliers and antarakonsumen are both caring benefits.

Framework of Thinking

The influence of the The Physical Environment against consumer satisfaction

The physical environment is a very important thing for the bank because it directly impact customer satisfaction. In this case the company uses physical or service environments as a way to demonstrate the quality of the assets, with the aim of creating a consumer feel satisfied over the quality and services provided to consumers. This is in line with the opinion of the Lovelock, Wirtz and Mussry [21] stating that the physical condition of environmental services experienced by consumers have an important role in shaping the experience of service and strengthen or reduce customer satisfaction. Through the design of the *servicescape* consumer needs will provide more value to consumers and creating consumer satisfaction.

The influence of the the quality of service of the Employees towards customer satisfaction

Customer satisfaction is becoming one of the most important goals which every company is looking for a long term relationship with customers considers as top priority. In the context of retail banking where the contact with customers is one of the most core business processes, customer satisfaction becomes the key to success [22- 24]. One of the main elements that determine customer satisfaction is customer perception of the quality of the service, including the service quality as a whole. Customer satisfaction is portrayed as a result comparison and its performance against customer expectations of quality service that feels [25]. According to this conceptualization, the perception of the quality of service is one of the antecedent for overall customer satisfaction. *Service quality* that will be felt by consumers should be divided into two dimensions, namely *Technical* and *Functional Quality*.

Functional dimension or an *employee of service quality* is the technical aspect of employees in delivering services to consumer then *technical* dimension or *overall service quality* is service will consumers feel. Both dimensions it can be seen that employees play an important role in presenting the service that will be delivered to the consumer [6].

The influence of the Consumer satisfaction against Consumer Loyalty

Creation of consumer satisfaction felt by consumers is one of the factors of the existence of a sense of loyalty from consumers against firms. Kotler [11] stated that the company would act wisely by measuring consumer satisfaction on a regular basis, since one of the keys to survive the consumer is the consumer satisfaction. This is supported by the opinion of Shanker, Smith and Rangaswany [26] in Tjiptono and Chandra [27] stating that the loyalty and satisfaction of having reciprocal relationships that are mutually reinforcing each other positively.

The influence of the Physical environment against Consumer Loyalty

Luke [28] stated that the physical environment such as interior design, cleanliness, seating comfort and conditions surrounding a positive effect towards the satisfaction of which affects loyalty. Kenyamaan provided by the company through the application of design of the servicescape (physical environment) has been done to meet the expectations of consumers will affect consumer behaviour which would make consumers to keep berad in environments those services. This is supported by the opinion of Bitner in Wakefield and Blodgett [29] stating the existence of positive consumer response against *servicescape* form of satisfaction, will have an effect on consumer behavior patterns such as the behavior of approaching or avoid, making purchases Again, and consumers feel comfortable and spend a long time. This is a form of consumer loyalty.

The influence of the *Service quality* that will be felt by consumers should be divided into two dimensions, namely Technical and Functional Quality. *Functional* dimension or an *employee of service quality* is the technical aspect of employees in delivering services to consumers' then *technical* dimension or *overall service quality* is service will consumers feel. Both dimensions it can be seen that employees play an important role in presenting the service that will be delivered to the consumer [6, 9]. So that service quality has a direct influence on consumer loyalty.

With this opinion, Parasuraman Zeithaml and Berry [30] has shown that the quality of service as an influence on loyalty. Similar results are shown in the research of Hong and Prybutok [31]. Based on such important roles, then the expected quality of service take effect directly against the loyalty.

The influence of the Physical environment against Consumer Loyalty through customer satisfaction

The physical environment is a very important thing for the bank because it directly impact customer satisfaction. In this case the company uses physical or service environments as a way to demonstrate the quality of the assets, with the aim of creating a consumer feel satisfied over the quality and services provided to consumers. This is in line with the opinion of the Lovelock, Wirtz and Mussry [32] stating that the physical condition of environmental services experienced by consumers have an important role in shaping the experience of service and strengthen or reduce customer satisfaction. Through the design of the *servicescape* consumer needs will provide more value to consumers and creating consumer satisfaction. After t erciptanya satisfaction consumers of the *servicescape* the perceived, *customer satisfaction* it can also affect a sense of consumer loyalty to the company. Kotler [16] stated that the company would act wisely by measuring consumer satisfaction on a regular basis, since one of the keys to survive the consumer is the consumer satisfaction.

This is supported by the opinion of Shanker, Smith and Rangaswany [33] in Tjiptono and Chandra [27] stating that the loyal i the bag and the satisfaction of having a reciprocal relationship that mutually strengthen each other positively.

The influence of the quality of service of the Employees against the Consumer Loyalty through customer satisfaction

Customer satisfaction is becoming one of the most important goals which every company is looking for a long term relationship with customers considers as top priority. In the context of retail banking where the contact with customers is one of the most core business processes, customer satisfaction becomes the key to success [22- 24]. One of the main elements that determine customer satisfaction is customer perception of the quality of the service, including the service quality as a whole. After the creation of consumer satisfaction, it can encourage one factor of a sense of loyalty from consumers against firms. Kotler (2008:140) stated that the company would act wisely by measuring consumer satisfaction on a regular basis, since one of the keys to survive the consumer is the consumer satisfaction. The framework of thought is presented as shown below:
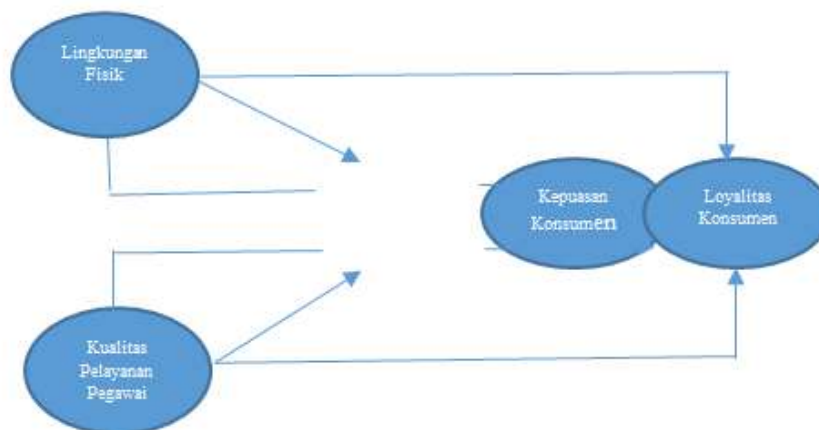
Fig-3: Research Thinking Framework

The hypothesis

The initial hypothesis in the study time is set as follows:

- There is the influence physical environment against consumer satisfaction
- There is the influence the quality of service of the employees towards customer satisfaction
- There is the influence consumer satisfaction against consumer loyalty
- There is the influence physical environment against consumer loyalty
- There is the influence quality of service the consumer loyalty towards employees
- There is the influence of the physical environment against consumer loyalty through customer satisfaction
- There is the influence of the quality of service of the employees against the consumer loyalty through customer satisfaction

RESEARCH METHOD

Design research is a comprehensive plan of research, include things that will be done starting from the researchers made the hypothesis and its implications operationally until the end of the analysis of the data which is then concluded and given advice. The kind of approach that the author use is quantitative as the scientific method because the data used are concrete, obyekstif, measurable, rational and systematic. This method is called quantitative research because the data in the form of figures and analysis using statistics. In addition, metode surveyey defined Kerlinger in Sugiyono 201 (4) as the research performed on large or small populations, however the data is studied is a sample of the population, to find events, distribution and relative relationships between sociological or psychological variables.

This design research using the method of survey with questionnaire tools based on the perceptions of the respondents according to the *likert scale*. This scale was used to measure the attitudes, opinions and perceptions of a person or group of people about the phenomenon.

In this study the phenomenon raised author is a phenomenon that occurs at the PT. Bank Mandiri branch Jakarta Cimanggis. A detailed questionnaire would be distributed to 150 client visitors to PT. Bank Mandiri branch Jakarta, Cimanggis, as well as data processing done using LISREL software 9.

In this study examines the influence of the physical environment and the quality of service of the employees against the loyalty of consumers through consumer satisfaction on PT Bank Mandiri branch Jakarta Cimanggis.

Population and Sample Research

According to Sugiyono [20] population is the generalization of the object/subject who has certain qualities and characteristics set by the researchers to learn and then drawn the conclusion. Populations can be either people, objects or other objects, not just the amount that exists on an object or subject that is studied, but covers the whole of the characteristics or properties.

While the sample is part of the number and characteristics of which are owned by the population. When a large population and researchers can't possibly learn all of the population, for example, because of limited funding, effort and time, so researchers can use samples taken from the population. What is learned from that sample, the conclusion will be put in place for the population, for those samples taken from populations must be fully representative (representing).

This research was carried out in pt. Bank Mandiri branch Jakarta Cimanggis, the population in this research include customer visit to PT. Bank Mandiri branch Jakarta Cimanggis.

The sample is part of the number and characteristics of which are owned by the population. When a large population but the existence of the limitation of funds, manpower and time so researchers

can take a sample of the population, representing the (*representative*) of the population karaksterstik (Sugiono, 2012:116). Based on the theory that it can be inferred that, of a sample is taken from a section of the population in a research.

According to Sugiyono [20] Sampling techniques the taking of the sample, the method is to determine the sample that will be used in research. In this study using the method *onprobability sampling n* sample-taking techniques i.e. that do not provide the same opportunity for opportunity/every element of members of the population to be selected into the sample. The elements of the population selected on the basis of availabilitasnya (for example, because they do want to be with the voluntary respondents) or because of personal considerations of the researchers that they could represent the population.

Sampling techniques in the study carried out using the technique of *Convenience Sampling* / sampling Incidental i.e. technical determination of the sample based on coincidence, i.e., anyone who by chance meet the researcher can be used as a sample, if a person is seen incidentally found it suitable as a data source, Sugiyono [20].

In this study a sample to be used using the formula of *Structural Equation Modelling* (SEM), which is the evolution of structural development, i.e. of the simultaneous equations model on Econometrics, then combined with measurement principles of Psychology (such as factor analysis), and path analysis from sociology and biology became a structural equation model [34]. According to Hair- *et al.* [25] peneliti should always know that the sample size can affect the statistical tests either by making it insensitive (on a small sample size) or sensitive (on a very large sample size). Sample size (data observation) that according to the SEM between 100 – 200 samples. The SEM analysis requires a sample of at least 5 to 10 x n x

n, where n is the number of variable parameters will be analyzed. In this study there were 31 indicators as *the manifest*variables, then the minimum number of samples to be used is 5 x 31 (number of *manifest*variables) = 155 responden, so the researchers set the number of respondents as many as 150 people who have qualified.

Method of data analysis

After making the selection of the sample, create a modeling, define the variables used in the study, and making hypotheses, the next step is to do the processing of data by using statistical methods through Testing against a model study was done using *structural equation models* (SEM). According to Hair *et al.* [25] modeling equations of *Structural Equation Models* (SEM), has some other designations, such as: *covariance structure analysis*, *latent variable analysis*, *confirmatory factor analysis* and analysis of *linear structural Relations* (LISREL). Based on these mentions, SEM can be described as an approach that combines the analysis a factor analysis, the structural model and *path analysis*.

RESULTS AND DISCUSSION
Suitability test *of Goodness of fit* (GOF)

To see the *goodness of fit* of these results then need to do a test *of goodness of fit* by taking data from the run results lisrel 8.80 on data on the attachment 5. From the data table match is made then the *goodness of fit*. The overall matching model could not directly but uses the size of the degree of suitability or *goodness of fit* (GOF). Size-the size of the GOF are grouped into three parts namely (1) *absolute fit measures* (size match is absolute), (2) the *incremental fit measures* (the size of incremental match) and (3) *parsimonious fit measures* (size match parsimoni). If the indicators of assessing model fit the yield value that meet the standards of *the cut-off-value*, then it can be said to charge indicators will is a *good fit*. Lisrel 8.80 run results can be presented in the following table:

Table-5: *Goodness of Fit* Model Testing Research

Goodness of Fit Measure Nilai Kritis	(Cut off Value)	Hasil	Evaluasi
Chi Square (X^2)	≥ 486.79	475.41	*Bad fit*
Significance Probability (p)	≥ 0,05	0	*Bad fit*
GFI	≥ 0,90	0.79	*Bad fit*
AGFI	≥ 0,90	0.74	*Bad fit*
CFI	≥ 0,90	0.97	*Marginal Fit*
NFI	≥ 0,90	0.94	*Marginal Fit*
IFI	≥ 0,90	0.97	*Marginal Fit*
RMSEA	≤ 0,08	0.079	*Marginal Fit*
RMR	≤ 0,05	0,032	*Marginal Fit*

Source: Data is processed (2017)

Critical Limit of the value of *chi-square* can be determined using the table of chi-square or use exel formula = CHIINV *(probability; Degrees of Freedom)* so the obtained values of *Chi-Square* 475.41. The value

of the data 486.79 less than *chi-square* tables, so that CFI data conclude, NFI, IFI, RESTING METABOLIC RATE is approaching critical limits GOF so assumed *marginal fit.*

Based on the above table it can be seen that the *Chi-square*, RMSEA, NFI, IFI, CFI, RFI, RESTING METABOLIC RATE and PNFI meets the criteria *of goodness of fit* of the 25 criteria testing GOF 4-5 usage criteria GOF considered was enough to qualify the feasibility of a model (Hair et al. in Haryono 2017:77) even though the *probability* is not significant, but this is enough qualified test matches. From the results of the estimation of the model obtained the following results:
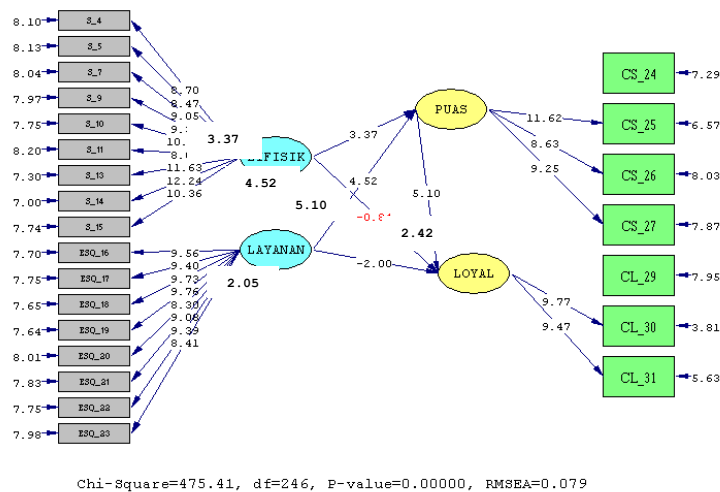

Chi-Square=475.41, df=246, P-value=0.00000, RMSEA=0.079

Fig-4: Diagram of the *t-value Model*

On the Fig 4 it obtained a value *of the t-value* are qualified (reaching values *good fit*) i.e. ≥1.96. In addition to the notice from the *t-value* model, to see the magnitude of influence between the latent variables seen from the resulting model estimation, the following result:
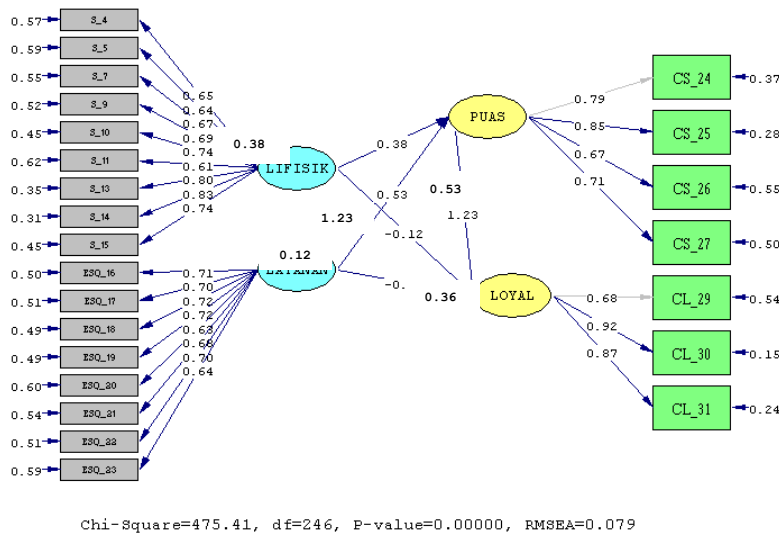

Chi-Square=475.41, df=246, P-value=0.00000, RMSEA=0.079

Fig-5: The Structural Model (*Standardize*)

Based on Fig 5.2 criteria in GOF (Goodness-of-fit) is, where the limit of p-value > 0.05 and 0.08 is < RMSEA then GOF is already filled. It can be concluded the model already fit with data because RMSEA = < 0079 0.08. So worthy to be analyzed further

Based on the image above, seen that
There is a positive influence the physical environment against consumer satisfaction

Based on the results of hypothesis testing shows there is one positive influence the physical environment against consumer satisfaction. That is because the value of the t statistic of 3.37 > 1.96 (Ghozali, 2014:65) so that it can be said to be significant. The physical environment is a very important thing for the bank because it directly impact customer satisfaction. In this case the management company may use physical or service environments of the building as one way to reassure consumers over the quality of the companies, with the aim to make the consumer feel satisfied over quality and services the company provided to the consumer.

This was confirmed by the opinion of Lovelock, Wirtz and Mussry [35] stating that the physical condition of environmental services experienced by consumers have an important role in shaping the experience of service and strengthen or reduce the satisfaction consumers. So, through the design of the *servicescape* to suit the needs of the consumer, the company management can increase the value of the company for customer satisfaction. That means that the physical environment in the layout given by PT. Mandiri Bank Jakarta branch, Cimanggis, can affect the satisfaction of the customer. For service on the bank, the use of physical and creative design can support the segmentation strategy and placement as well as strengthen marketing purposes.

There is positive influence on the quality of Srvice Employess towards customer satisfaction Consumers

Based on the results of testing hypotheses two shows there is a positive influence on the quality of service employees towards customer satisfaction. That is because the value of the t statistic of 4.52 > 1.96 [36] so that it can be said to be significant. Customer satisfaction is becoming one of the most important goals which every company is looking for a long term relationship with customers considers as top priority. In the context of retail banking where the contact with customers is one of the most core business processes, customer satisfaction becomes the key to success of a company [22-24].

Customer satisfaction is portrayed as a result comparison and its performance against customer expectations of quality service that feels [25]. According to this conceptualization, the perception of the quality of service is one of the antecedents for overall customer satisfaction. *Service quality* that will be felt by consumers should be divided into two dimensions, namely *Technical* and *Functional Quality*. *Functional* dimension or an *employee of service quality* is the technical aspect of employees in delivering services to consumers' then *technical* dimension or *overall service quality* is service will consumers feel. Both dimensions it can be seen that employees play an important role in presenting the service that will be delivered to the consumer (Hooper et al., 2013; Grönroos, 1984). So, one of the main elements that determine customer satisfaction is customer perception of the quality of the service, including the service quality as a whole.

There is a positive influence consumer satisfaction against the loyalty of consumers

Based on the results of hypothesis testing three shows there is a positive influence consumer satisfaction against the loyalty of consumers. That is

because the value of the t statistic of 5, 10 > 1.96 [36] so that it can be said to be significant. Creation of consumer satisfaction is one of the factors of the existence of a sense of loyalty from a consumer against the company. Kotler (2008:140) stated that the company would act wisely by measuring consumer satisfaction on a regular basis. So, one of the keys for the management of Bank Mandiri branch Cimanggis is defending consumers by increasing consumer satisfaction such as for example the design of the room in a unique branch and clean.

This is supported by the opinion of Shanker, Smith and Rangaswany [37] in Tjiptono and Chandra [27] stating that the loyalty and satisfaction of having reciprocal relationships that are mutually reinforcing each other positively. It is in the customer's satisfaction will become an important reference point in increasing customer loyalty. Which means if a high perceived customer satisfaction will lead to an increase in customer loyalty in the bank?

There is a positive influence consumer satisfaction against the loyalty of consumers

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This is supported by the opinion of Shanker, Smith and Rangaswany [26] in Tjiptono and Chandra [27] stating that the loyalty and satisfaction of having reciprocal relationships that are mutually reinforcing each other positively. It is in the customer's satisfaction will become an important reference point in increasing customer loyalty. Which means if a high perceived customer satisfaction will lead to an increase in customer loyalty in the bank?

There is a positive influence on the quality of service the Consumer Loyalty towards Employees.

Based on the results of hypothesis testing five shows there is a positive influence on the quality of service the consumer loyalty towards employees. That is because the value of the t statistic of 2, 05 > 1.96 [38] so that it can be said to be significant. *Service quality* that will be felt by consumers should be divided into

two dimensions, namely *Technica*l and *Functional Quality*. *Functional* dimension or an *employee of service quality* is the technical aspect of employees in delivering services to consumers [6, 9].

The results of this research line with penilitian [39] stating that service quality has a significant positive influence towards loyalty but not in line with the research from journals [35] stating that the influence of quality of services against customer loyalty is not significant so that the hypothesis is rejected. Quality good service PT. Mandiri Bank Jakarta branch, Cimanggis, was greeted positively by clients. This reflects the ability of employees, hospitality employees, the attitude and professionalism of employees associated with good service can improve customer loyalty. PT Mandiri Bank Jakarta branch, Cimanggis, better able to maintain the quality of service for the sake of customer satisfaction that is ultimately positive effect on customer loyalty. That means the quality of service of the employees at PT Mandiri Bank Jakarta branch, Cimanggis, in providing service to the customer will get a good response. The response can be beruapa conduct or intention to employ the bank product. If this is the case then the quality of service this employee could affect customer loyalty.

There is a positive influence indirectly the physical environment agains Consumer Loyalty through customer satisfaction

Based on the results of hypothesis testing six shows there is a positive influence the physical environment against consumer loyalty through customer satisfaction. That is because the value of the t statistic of 2.08 > 1.96 [38] so that it can be said to be significant. It illustrates that the indirect influences between the physical environments towards customer satisfaction through customer loyalty is very strong. The main thing in the service that is a sense of satisfaction at first so it will affect customer loyalty itself.

There is no direct influence on the quality of Service Employees against Consumer Loyalty through customer satisfaction

Based on the results of hypothesis testing seven shows there is no effect directly the quality of service employees against consumer loyalty through customer satisfaction. That is because the value of the t statistic of 2.41 > 1.96 [38] so that it can be said to be significant. Quality of service employees have a very important role in influencing the customer satisfaction that will affect customer loyalty in the sense the service given by PT. Mandiri Bank Jakarta branch Cimanggis.

CONCLUSION
Based on the results of research conducted can be concluded that

First, l Physical ingkungan (*servicescape*) have a positive influence toward consumer satisfaction (*customer satisfaction*). That is because the value of the t statistic of 3.37 > 1.96.

Second, k ualitas of service employees (*employee service quality*) have a positive influence toward consumer satisfaction (*customer satisfaction*). That is because the value of the t statistic of t statistics of 4.52 > 1.96.

Second, k epuasan consumer(*customer satisfaction*) have a positive influence toward Consumer Loyalty (*customer loyalty*). That is because the value of the t statistic of 5.10 > 1.96.

Third, l Physical ingkungan (*servicescape*) have a positive influence towards Koonsumen Loyalty (*customer loaylty*). That is because the value of looks t statistics of 2.42 > 1.96.

The province, k ualitas of service employees (*employee service quality*) have a positive influence toward Consumer Loyalty (*customer loyalty*). That is because the value of the t statistic of 2.05 > 1.96.

Fifth, l Physical ingkungan (*Servicescape*) have a positive influence is not direct towards Consumer Loyalty (*customer loyalty*) through consumer satisfaction (*customer satisfaction*). That is because the value of the t statistic of 2.08 > 1.96.

Sixth, k ualitas of service employees (*employee service quality*) have a positive influence on direct Consumer Loyalty refuses (*customer loyalty*) through consumer satisfaction (*customer satisfaction*). That is because the value of the t statistic of 2.41 > 1.96.

Advice

Based on the results of research and conclusions obtained in this study, here are some suggestions on research:

- To improve the Physical Environment, suggested PT. Bank Mandiri branch of Jakarta Cimanggis repair equipment that is not working properly, change the layout (layout) and colors are less interesting, loudspeakers on the queue at customer service held and the cleanliness of existing to be maintained.
- To improve the Quality of Employee Service, suggested PT. Bank Mandiri Jakarta Cimanggis branch provides education and training in

providing services to customers on every employee.

- To always provide the best service Quality at PT Bank Mandiri Jakarta Cimanggis branch to the customers. It has a purpose to reflect employees' ability, employee friendliness, attitudes and professionalism of employees associated with good service in order to improve customer loyalty. PT Bank Mandiri Jakarta branch Cimanggis better strive to maintain the quality of service for customer satisfaction that ultimately have a positive effect on customer loyalty.

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