

# **THE EFFECT OF PRODUCT FASCINATION, SERVICE FASCINATION, AND COMPETITIVE POWER OF TARIFF ON THE CUSTOMER SATISFACTION AND IMPACT ON TRANSACTION DECISIONS**

**(Study on Agent BRILink BRI Bank Branch of Pati)**

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## **ABSTRACT**

BRI Bank to innovate services by launching BRILink Agent as a partner of cooperation between BRI Bank and BRI Bank customers. The problem in this research is how to improve customer satisfaction which will influence to the decisions of transactions at BRILink BRI Branch of Pati.

Data on observed variables were obtained through interviews with questionnaires to 110 BRI Bank customers who transacted at BRILink Branch of Pati and tested using AMOS statistic software.

The result of SEM analysis conform the criteria of Goodness of fit that is Chi Square is 154.616 with probability equal to 0.277; CMIN/DF (1.066); GFI (0.873); AGFI (0.833); TLI (0.991); CFI (0.992); and RMSEA (0.025). The result of hypothesis testing is: transaction decisions are statistically proven to be affected by customer satisfaction, customer satisfaction is statistically proven to be affected by service attractiveness and tariff competitiveness, while the attractiveness of unpaid products has significant effect.

Kata Kunci : Product fascination, service fascination, competitive power of tariff, customer satisfaction, transaction decisions

## **1. INTRODUCTION**

### **1.1. Background**

The current economic development is experiencing changes in the business world as well as the increasingly tight level of competition among business actors, it encourages the business actors to innovate in determining the strategies that are appropriate with the marketing of these products. The company always strives to improve its competitiveness by seeking new sources of technology and good skills in shaping new corporate structures (Prahalad and Hamel, 1990). The era of globalization today, the competition between business in both the domestic market and the increasingly tight international market. One way to survive in this era of globalization is to increase the power and quality of sustainable services, this can be done by making product innovation or by effectiveness and efficiency in internal production. For efficiency and effectiveness in the production process that already run and can also be done on new products or innovation products that will be produced.

Various efforts made by banking companies such as BRI Bank continues to improve the innovation of the banking sector to be able to face a very tight competition with other perbankan firms. Sukapurnama and Kusumastuti (2013) explained that banks in Indonesia are still placing two strategies in business development: opening new offices and developing services through e-banking to improve the effectiveness and efficiency of banking operational

costs. The development of information technology, telecommunication, and internet causes business actors to compete to make online or digital based business applications. The existing banking industry sector in Indonesia has utilized technology in a maksimal way to meet the interaction needs of the company with its clients. BRILink becomes the latest innovation product issued by BRI Bank in meeting the needs of its customers and improving the quality of modern banking services. The BRILink product is the result of branchless banking implementation. This product is operated by an agency system or a third party involving between the bank and the customer. The existence of this product can provide ease in transactions for nasabah in real time online. BRILink provides benefits for agents in the form of fee sharing. Here are the services of BRILink products including Mini ATM BRI, BRIZZI, BRIVA, and T-Bank (electronic money) where the account number is based on the mobile phone number.

BRI Branch of Pati is a part of Semarang Regional Office, BRI Kanca Pati has 1 main branch office, 2 Sub-Branch Offices (KCP), 2 Cash Offices (KK), 41 Office Units, and 18 BRI Terraces scattered in Pati area. BRI Pati shows its commitment in fulfilling the quality of services provided to the community in the development of unit offices that will facilitate the community in banking transactions through BRI Bank. BRI Bank branch of Pati also continues to develop in the increase of transaction, Fee Based Income (FBI), and profit through Agent Brilink which has been formed since 2014.

## **1.2. Formulation of The Problem**

The growth of brilink agent transactions that is still below the target figure indicates that there is an unwillingness of customers to make transactions. This is a problem in this study, based on the formulation of the problem, then this research needs to formulated the existing problems that is: "how to improve the decisions of customer transactions BRI Bank Kanca Pati in Agent BRILink". From the description of the above problems, so developed some questions in this study as bellows:

1. Will the fascination of BRILink's products improve BRI bank customer satisfaction?
2. Will the fascination of BRILink agency services improve BRI bank customer satisfaction?
3. Can the competitiveness of BRILink agent rates increase BRI bank customer satisfaction?
4. Will customer satisfaction of BRI Bank improve Customer's decisions to transact at BRILink agency?

## **1.3. Purposes and Benefits of Research**

### **1.3.1. Purposes of Research**

Based on the research problem, the purposes of this research are:

1. Analyzing the effect of product fascination of BRILink agent on customer satisfaction of BRI Bank.
2. Analyzing the effect of fascination of BRILink agent service on customer satisfaction of BRI Bank.
3. Analyzing the effect of competitiveness of BRILink agent tariff on customer satisfaction of BRI Bank.
4. Analyzing the influence of customer satisfaction of BRI Bank on transaction decisions at BRILink agent.

### **1.3.2. Benefits of Research**

#### **1. Theoretical Benefit**

This research is expected to add information or insight and can be used as a comparison in doing research in the field of marketing strategy.

#### **2. Practitioner Benefit**

For the company, this research is expected to be used PT. Bank Rakyat Indonesia (Persero) Tbk., Pati Branch as inputs to maintain the products fascination, service fascination, tariff competitiveness, which will provide the level of customer satisfaction so as to increase the number of transactions on future BRILink products.

## **2. LITERATURES REVIEW AND DEVELOPMENT OF THE RESEARCH MODEL**

### **2.1. TAM (Technology Acceptance Model)**

Competition banking industry increasingly stringent make the company to do technology development and innovation to improve customer satisfaction. TAM (Technology Acceptances Models) is a model of behavior that utilizes information technology and refers to its management information system (Munusamy et al., 2012). TAM aims to explain or estimate from the application of technology in an organization and the factors that influence it in the application of these technologies. There are two concepts proposed by Davis (1989) in Istiarni (2014) which are believed to be user acceptance of perceived ease of use and perceived usefulness. The expansion of the concept of TAM is expected to help predict the attitudes and acceptance of a person against the applied technology and can provide basic information to be used on the factors driving the individual's attitude (Devi, 2014). Goyal Shika et al. (2016) added that technological developments encourage banks to continue to innovate by making Electronic Banking (E-banking) easily accessible in the community for example, Automated Teller Machine (ATM), Internet Banking, and Mobile Banking. This is to improve customer convenience, reduce operating costs, and maintain profitability.

### **2.2. Transaction Decisions**

Consumers have a role to provide a decisions in using products or services offered by marketers. Decisions-making on consumer behavior in determining the purchase of a product or service there is something that underlies the consumer to do so. Where consumers who meet the needs by actualizing that there is in itself as well as a very strong motivation to achieve it is a purchase decisions (Archana and Khanna, 2012). Ismail and Osman (2012) added that motivation can give a strong force or motivation and motivation in a person to be able to perform an action in accordance with what they expect. Raida and Bouslama (2013) explain that a person's motivation or interest in using electronic banking as the right decisions to transact online. In generally there are 2 or more parties involved in a buying process to the purchase decisions of a consumer goods.

### **2.3. Product Fascination**

The product fascination is an allure or magnet of a particular product that can affect consumers to have it. The product fascination is also interpreted as a very good quality of the product, so the quality of a product can affect consumers to have it. Methaq and Salam (2012) add that attraction is defined as consumer interest to buy the product. An option has dominated the other, then the goods or services in a product will be underestimated, so the consumer will determine or buy on the choice of one such product. Thus, fascinations indicates very strong influence on a choice of product comparators and evaluates them

separately by shifting from reference information to an option. Melodie and Kim (2012) added that the product fascination both goods and services can be seen from the form of goods itself which has an opportunity value for business actors to gain greater benefits.

#### **2.4. Service Fascination**

The service fascination is the level of service quality that the company provides to its customers. Service quality is the combined aggregate and service characteristics of marketing, design, manufacturing and maintenance activities through the use of products and services that will meet customer expectations (Armand, 1992 in Siagian, 2006). Parasuraman et al., (2012) explains that if the services that have been given to customers or consumers have been in line with expectations then the service quality can be satisfactory for customers or consumers. Basit *et al.*, (2014) adds that if the quality of service provided and the quality of the products being sold very well will provide a positive level of influence on customer satisfaction. Service quality is an important and very complex element of consumer perception, because it is intangible and its production and consumption runs simultaneously. Service quality can be determined after consumers evaluate whether or not satisfied service offered, then consumers give perceptions on the service quality.

#### **2.5. Tariff Competitiveness (Price)**

Price is a mix of direct revenue-generating for the company, but there are other marketing mixes that will result in cost. Cravens and Piercy (2003) argue that strategy in goods and services pricing has become the company's key to deregulation, low growth in the market, for the company to make an opportunity to gain control and exploit markets and increasingly competitive globalls. Price is not the nominal form of an item, but rather the element of marketing such as the selling price of the prod, discount, and payment system (Abdul Muhmin, 2002). Price is the cost resulting from a purchase (Tse, 2001, in Chitty, 2007) that together with the service quality affecting the perception of customer value. It affects the amount to be purchased at the offered price (Monroe, 1990, in Chitty, 2007). The amount paid depends on the needs and services provided. Price is believed to have an impact on the perception of quality because high quality products will provide good quality rather than low quality (Chitty, 2007).

#### **2.6. Customer Satisfaction**

Customer satisfaction makes a special attention or very important for all banking business actors engaged in the service sector. Customer satisfaction becomes the main concept or strategy for banking companies to be able to win the competition in service sector business world. Mowen and Minor (2001) stated that customer satisfaction is an attitude shown by customers or customers of goods or services they have consumed. Customers have a role in determining the level of satisfaction of a product or service provided by the company (Abdullah and Nento, 2014). According to Zeithaml and Bitner (2008) explained that customer satisfaction is part of the response or response from customers on products or services that have been accepted and evaluated and perceived a discrepancy between expectations and actual performance. Services that have been received by customers need to be evaluated by determining the level of service quality that the company provides in order to provide the level of product satisfaction for services that have been consumed. The customer will be able to feel if they have bought or used the product or service and realized whether the product or service has been used as expected or not.

## 2.7. Previous Researchs

For conducting the research, the authors review some of the previous researchs to anticipate the similarity of topics that have been studied and to study some similar studies that have been in gukanan. In addition to this to obtain a proper research gap is supported by reference to previous research.

**Table 2.1**  
**Previous Researchs Lists**

NO.	RESEARCHERS	VARIABLES	RESULTS	RESPONDENTS
1.	Saidani Basrah and Samsul Arifin (2012)	Product Quality, Service Quality, Consumer Satisfaction, and Buyback Interest	Product Quality and Service Quality Affects Customer Satisfaction with Impact on Buying Interest.	160 Respondents
2.	Aryani D, Rosinta F (2012)	Service Quality, Customer Satisfaction, Customer Loyalty	Service Quality has positive affect on Customer Satisfaction.	130 Respondents
3.	Mulyono BH, Nugraheni R, and Kamal M (2007)	Product Quality, Service Quality, and Consumer Satisfaction.	Product Quality and Service Quality have Positive effects on Consumer Satisfaction, Both Variable are Very Important in Increasing Consumer Satisfaction.	50 Respondents
4.	Kurniawati, Suharyono, Kusumawati (2014)	Brand Image, Product Quality, Satisfaction, and Customer Loyalty.	Brand Image has Positive effect on Customer Satisfaction Variable, Product Quality Variable Directly effect and Significant on Customer Satisfaction Variables, Customer Satisfaction Variables Directly effect and Significant on Customer Loyalty Variables.	116 Respondents
5.	Quyet, Nguyen, Taikoo (2015)	Service quality (Tangibility, Reliability, Responsiveness, Assurance, and Empathy), Customer Satisfaction	Quality of Service (Tangibility, Reliability, Responsiveness, Assurance, And Empathy) The Five Factors Gives Positive Effect on Customer Satisfaction.	150 Respondents

6.	Basith A, Kumadji S, Hidayat K (2014)	Product Quality, Service Quality, Customer Satisfaction, Customer loyalty	There is a Significant Effect Between Product Quality Towards Customer Satisfaction, Service Quality Towards Customer Satisfaction And Customer Satisfaction Towards Customer Loyalty	112 Respondents
7.	Fatchur Rachman (2014)	Service Quality, Price, Location, Customer Satisfaction	The Effect of Service Quality, Price, and Location On Customer Satisfaction Is Positive and Significant For Service Quality And Location, While Negative And Significant For Price.	96 Respondents
8.	Rahmat Hidayat (2015)	Consumer Satisfaction, Purchasing Decisions	Consumer Satisfaction Gives Positive Effects On Purchase Decisions.	100 Respondents
9.	Cheserek LK, Kim W, and Felishana C, (2015)	Service Quality (Tangibility, Reliability, Responsiveness, Assurance, And Empathy), Customer Satisfaction	Reliability, Responsiveness, Assurance and Empathy Significantly Positive and Affect on Customer Attitudes in Satisfaction But Tangibility Not Significant Affect on Customer Satisfaction Level Dimension Service Quality Is Very Important To Customer Satisfaction At Commercial Banks In Kenya.	287 Respondents
10.	Murugiah L, Akgam HA (2015)	Service Quality and Customer Satisfaction	Positive Significant Correlation Towards Customer Satisfaction And Two Variables (Service Quality And Customer Loyalty), And There is a Negative Significant Correlation Towards Security and Customer Satisfaction.	150 Respondents

## 2.8. Hypothesis

### 2.8.1. The Effect of Product Fascination on Customer Satisfaction

Mowen et al. (2002) explained that the product fascination has a direct effect on the level of customer satisfaction. Increased ability on a product that can create competitive advantage, so that customers more satisfied. Customers will move to a product or service that can understand and be able to complete the customer's demand and provide better service levels. Mulyono et al., (2007) states that the higher the level of product quality, the higher the level of customer satisfaction. Basith et al., (2014) adds that the product fascination has a significant effect on customer satisfaction.

H1 : The product fascination has positive effect on customer satisfaction

### **2.8.2. The Effect of Service Fascination on Customer Satisfaction**

The service fascination indirectly illustrates the level of product quality and its reputation in enhancing customer satisfaction. In his study Chesrek et al. (2015) revealed that customer satisfaction makes things very important for companies, especially services (banking). The quality of the company's services can also change the company's performance patterns to become better with increased customer satisfaction. Likumahua (2010) explains that the company's service quality provides to the customer has positive effect level on the customer satisfaction level. Murugiah and Akgam (2015) added the service quality and customer loyalty to provide has significant level of positive effect on customer satisfaction as well as providing has negative significant on the security and customer satisfaction level.

H2: Service fascination has positive effect on customer satisfaction

### **2.8.3. The Effect of Tariff Competitiveness on Customer Satisfaction**

Samaan (2015) said that the price or tariff is the amount of money or expenses incurred for a product or service we receive. Utami (2015) adds that if there is correlation between price and loyalty towards the customer or consumer satisfaction level, the price is usually viewed by consumers as an indicator of the value that connects with the benefits that consumers have received or feel both in the product or service. Where the price set by the company is not in accordance with what is expected the customer will decrease the satisfaction of the goods or services, vice versa if in determining the price of a good or service that the company spend in accordance with the benefits or expectations of customers it can increase customer satisfaction.

H3 : Tariff competitiveness has positive effect on Customer Satisfaction

### **2.8.4. The Effect of Customer Satisfaction on Transaction Decisions**

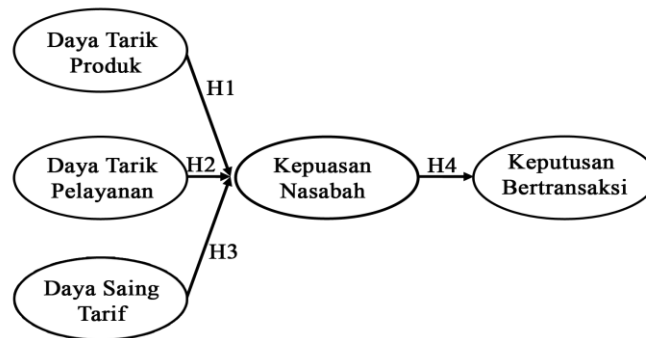
The customer satisfaction level is higher if the perceived benefits of customers greater than the level of income to get it, it will encourage to buy the product. Conversely, if the benefits that the customer or the customer receives is less than the price of the sacrifice then the customer refuses or switches to buy other similar products or services. Customer has a very important role in determining the measurement of the level of customer satisfaction with the products or services provided to the company (Abdullah and Nento, 2014). Customers will choose a bank that can provide satisfaction levels in terms of services or products offered in accordance with the expectations of the customer itself. Hidayat (2015) states that consumer satisfaction has a positive effect on purchasing decisions. The decisions in the purchase is influenced by a value of the product that has been evaluated.

H4 : Customer satisfaction has positive effect on transaction decisions

## **2.9. Theoretical Framework**

Theoretical framework explains how the effect of correlation between variables one towards other variables. In order to clarify the picture of the theoretical framework it will be described in Figure 2.1.

**Figure 2.1**  
**Theoretical Framework**



Sources: Boyd and Masson (1999), Garvin (1998), Ruyter et al (1996), Lupiyoadi and Hamdani (2006), Ferdinand (2002) Oliver (1993) Levesque and McDougall (1996) (Pepadri, Sitinjak, in Wibowo and Karimah, 2012) Aaker in Astuti and Cahyadi (2007)

### 3. RESEARCH METHODS

#### 3.1. Population and Samples

Customers of of BRI Bank of Pati become subject population in this research. Sampling is non probabillity sampling approach. Samples are 110 respondent. This study researchs using SEM that requires sample at least 100 respondents.

#### 3.2. Types and Data Sources

Primary data is data obtained factually or directly and this data is deliberately obtained exclusively to answer the research questions.

#### 3.3. Data Collection Methods

Data collection technique using closed questionnaire method with Likert scale.

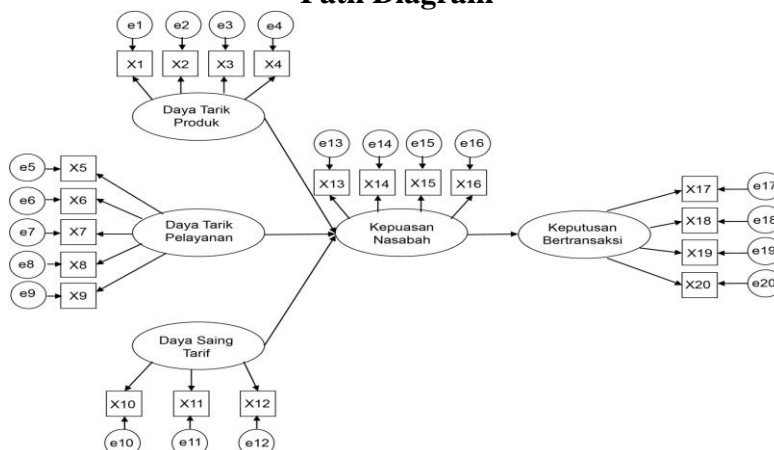
#### 3.4. Data Analysis

Data analysis process using the validity and reliability test and SEM hypothesis, the explanation of each test bellow:

##### 3.4.1. Analysis Technique

Data analysis and its interpretation can be used to reveal a certain social phenomenal based on the answers of each question research.

**Figure 3.1**  
**Path Diagram**





This research tool is SEM is used as an analytical tool. Ferdinand (2002) said that the reasons for analyzing research data using SEM are:

- Indicates the dimensionalization unit of the indicator of dimension or collision or factor
- See the suitability and accuracy of a model based on the emepiris data it has examined
- Testing of the suitability of the research model or the relationship of causality between factors that have been built or observed in the research model

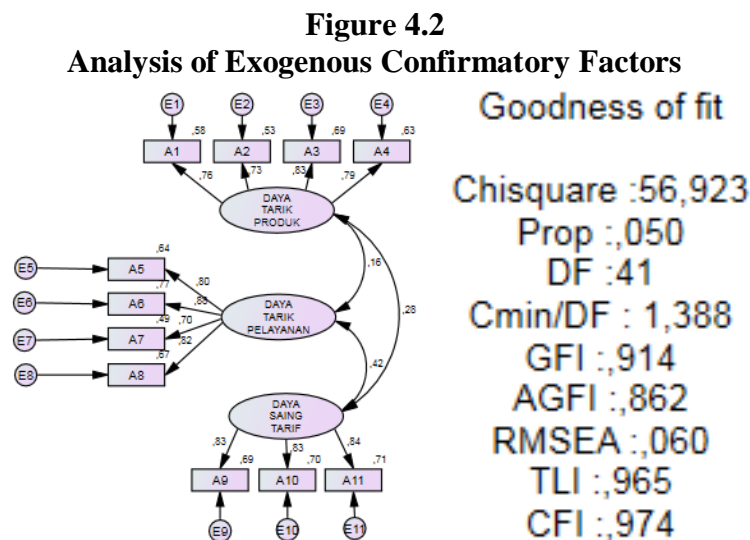
According to Ferdinand (2002 revealed that there are 7 (seven) stages to be taken in the use of SEM model. The SEM model itself consists of Measurement Model and Structure Model.

#### 4. DATA ANALYSIS AND DISCUSSIONS

This research uses Structural Equation Model (SEM). The final step after knowing the data processing results is to analyze the research problems and make conclusions based on the analysis results.

##### 4.1. Exogenous Variables Confirmatory Analysis

The first model of measurement for confirmatory factor analysis is the measurement of the dimensions that form latent variables or latent constructs in the study, ie product attractiveness, service attractiveness, and tariff competitiveness. This unidimensionality and dimensions were tested by a confirmatory factor analysis of exogenous variables as in Figure 4.2 below.



Source: primary data, be processed 2017

Figure 4.2 confirmatory analysis of product fascination, service fascination, and tariff competitiveness, it can be seen that the null hypothesis states that there is no difference between the covariance sampling matrix and the estimated population covariance matrix can not be rejected because the correlation value between the exogenous variables which is low or close to zero. The acceptance of the null hypothesis shows that this model is acceptable, so there are different contrasts with the indicators.

Figure 4.2 shows that the feasibility test of the model in which the exogenous constructs in this research can meet the criteria of feasibility test of the model that has been set, can dilihat further in table 4.1 as follows:

**Table 4.1**  
**Structural Equation Model Feasibility Result Test**

Goodness of fit indeks	Cut off value	Results	Model Evaluation
Chi-square (df=41)	<56,942	56,923	Good
Probability	≥0,05	0,050	Good
CMIN/DF	≤2,00	1,388	Good
GFI	≥0,90	0,914	Good
AGFI	≥0,90	0,862	Marginal
TLI	≥0,95	0,965	Good
CFI	≥0,95	0,974	Good
RMSEA	≤0,08	0,060	Good

Source: primary data, be processed 2017

Table 4.1 shows that Chi Square value = 56.923 and the significance value is 0.050 indicating that there is no difference between the sample covariance matrix towards the estimated population covariance matrix which means the model is less fit. Nevertheless, it is important to note that SEMs are vulnerable to the number of samples so that other GFI, CMIN/DF, TLI, and CFI results in values that meet the criteria so that they can be used as evidence to conclude that the model developed is a fit model which corresponds to the population.

Data processing results shows that each indicator on each foreign variable has met from the requirements, so it can be accepted.

**Table 4.2**  
**Weight Regression Confirmatory Exogenous Variables**

			Estimate	S.E.	C.R.	P	Label
A1	<---	Product Fascination	1,000				
A2	<---	Product Fascination	1,023	,140	7,320	***	par_1
A3	<---	Product Fascination	1,302	,164	7,925	***	par_2
A7	<---	Service Fascination	1,000				
A6	<---	Service Fascination	1,251	,153	8,159	***	par_3
A5	<---	Service Fascination	1,155	,152	7,579	***	par_4
A11	<---	Tariff Competitiveness	1,000				
A10	<---	Tariff Competitiveness	1,001	,106	9,406	***	par_5
A9	<---	Tariff Competitiveness	1,043	,108	9,630	***	par_6
A8	<---	Service Fascination	1,135	,148	7,679	***	par_10
A4	<---	Product Fascination	1,113	,138	8,061	***	par_11

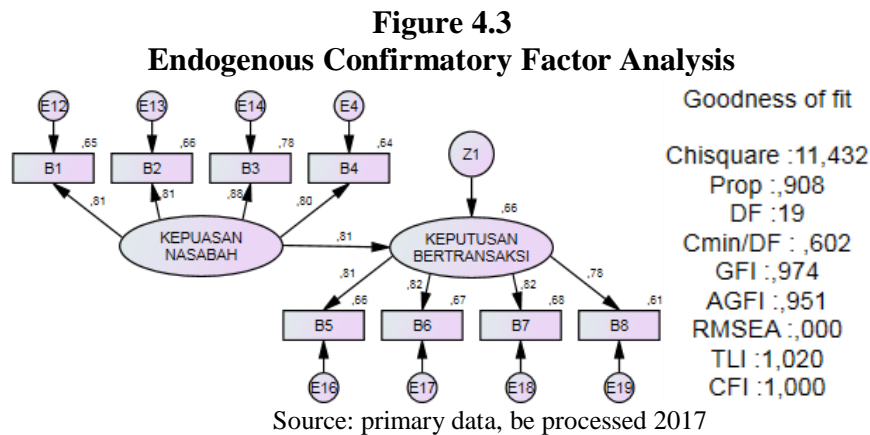
Source: primary data, be processed 2017

It is shown that each indicator for each dimension has a value factor of loading factor (coefficient  $\lambda$ ) or weight regression or standardized estimate is significant where the value of Critical Ratio or CR is  $\geq 2.0$  then for all indicators on the data above is acceptable and has a correlation between each variables. With the P value which mostly shows the value below 0.05 this indicates from the variables in the study memeiliki independence variable each other. The table above shows there are still some variables are still weak on top 0.05 this indicates the variable has weak correlation.

#### 4.2. Endogenous Confirmatory Factor Analysis

The measurement model on the endogenous confirmatory factor analysis is measurement on each dimension that forms the latent variable or latent contraction in the research model. In this research the endogenous confirmatory is customer satisfaction and transaction decisions. The dimensionality of each dimension was tested for confirmatory

factor analysis on endogenous variables, along with endogenous variables confirmatory factor analysis:



The undimensionality test through confirmatory factor analysis explains if the latent variables in this research model are acceptable. The significance level indicates if the null hypothesis states that there is no difference between the covariance sampling matrix and the estimated population covariant matrix can not be rejected. The acceptance of the null hypothesis then on this model is acceptable. This research is appropriate or fit to the data used. For feasibility test result of structural equation model shown in table 4.3.

**Table 4.3**  
**Feasibility Test Result of Structural Equation Model**

Goodness of fit indeks	Cut off value	Results	Model Evaluation
Chi-square (df=19)	<30,144	11,432	Good
Probability	≥0,05	0,908	Good
CMIN/DF	≤2,00	0,602	Good
GFI	≥0,90	0,974	Good
AGFI	≥0,90	0,951	Good
TLI	≥0,95	1,020	Good
CFI	≥0,95	1,000	Good
RMSEA	≤0,08	0,000	Good

Source: primary data, be processed 2017

The latent variable weight regression result can be seen in the table. 4.4:

**Table 4.4**  
**Weight Regression Confirmatory Endogen Variables**

			Estimate	S.E.	C.R.	P	Label
Transaction Decisions	<---	Customer Satisfaction	,720	,099	7,272	***	par_7
B1	<---	Customer Satisfaction	1,000				
B2	<---	Customer Satisfaction	,981	,103	9,522	***	par_1
B3	<---	Customer Satisfaction	1,013	,097	10,480	***	par_2
B4	<---	Customer Satisfaction	,976	,104	9,372	***	par_3
B8	<---	Transaction Decisions	1,000				
B7	<---	Transaction Decisions	1,165	,128	9,104	***	par_4
B6	<---	Transaction Decisions	1,017	,112	9,047	***	par_5
B5	<---	Transaction Decisions	1,098	,124	8,873	***	par_6

Source: primary data, be processed 2017

The table above can be seen that each indicator of each dimension has value loading factor (coefficient  $\lambda$ ) is significant with CR value is  $CR \geq 2.0$  so that all indicators are

acceptable and have correlation. The data above shows if the P value is mostly below 0.05 this indicates that the variables have independence variable each other.

### 4.3. SEM Assumptions Results Test

#### 4.3.1. Data Normality Testing

Normality testing to know the data distribution is normal or not. To see that it can be done by observing the skewness value, if the value of CR is in the range between  $\pm 2.58$  at the level of significance 0.01. Data processing results for the normality test is shown in the table bellows:

**Table 4.5**  
**Data Normality Testing Results**

Variables	min	max	skew	c.r.	kurtosis	c.r.
B8	2,000	7,000	-,159	-,680	-,461	-,986
B7	2,000	7,000	-,294	-1,257	-,513	-1,099
B6	2,000	7,000	-,174	-,746	-,532	-1,139
B5	2,000	7,000	-,258	-1,103	-,512	-1,095
B4	2,000	7,000	-,298	-1,277	-,686	-1,469
B3	2,000	7,000	-,257	-1,099	-,633	-1,355
B2	2,000	7,000	-,079	-,336	-,698	-1,495
B1	2,000	7,000	-,231	-,989	-,648	-1,386
A9	2,000	7,000	-,116	-,498	-1,020	-2,183
A10	2,000	7,000	-,159	-,682	-,550	-1,178
A11	2,000	7,000	-,412	-1,763	-,340	-,727
A5	2,000	7,000	-,304	-1,300	-,214	-,459
A6	2,000	7,000	-,053	-,227	-,852	-1,824
A7	2,000	7,000	-,340	-1,456	-,651	-1,394
A8	2,000	7,000	-,111	-,473	-,378	-,809
A4	4,000	7,000	-,081	-,346	-,700	-1,499
A3	3,000	7,000	-,565	-2,417	-,171	-,367
A2	4,000	7,000	-,258	-1,107	-1,054	-2,258
A1	4,000	7,000	,042	,181	-,883	-1,891
Multivariate					-4,640	-,861

Source: primary data, be processed 2017

The normality test results table above can be seen that CR value above there is CR value outside the range. Thus it can be said that research data is normally distributed and fulfill the requirements of normality test data.

#### 4.3.2. Outlier

##### 4.3.2.1. Multivariate Outlier

Multivariate outlier evaluation to ensure that there were no outliers in the combined observations. The distance of mahalanobis is calculated based on chi-square value on the degree of freedom by 19 (number of indicators) at the level of  $p < 0.001$  is  $\lambda_2(19; 0.001) = 43.820$  (based on the distribution table  $\lambda_2$ ). So the data with the highest distance of the highest distance distance is at 37.232 which no larger data 43.820 as shown in Table 4:25. So in this analysis it shows that outliers not found that is proved by mahalanobis distance maximally 37.232, it is proved result of table below:

**Table 4.6**  
**Multivariate Outliers**

Observation number	Mahalanobis d-squared	p1	p2
85	37,232	,007	,559
28	31,987	,031	,863
83	28,832	,069	,983
72	28,653	,072	,959
56	28,185	,080	,945
61	27,668	,090	,938
.....	.....	.....	.....
13	12,909	,843	,060
1	12,623	,857	,072

Source: primary data, be processed 2017

**4.3.2.2. Multicollinearity and Singularity Evaluation**

This research tests combination of a model is done by multicollinearity and singularity test. The existence of multicollinearity and singularity if the determinant value of covariance matrix from the data processing is really small or close to zero. The result of processing from data processing shows that the determinant of sample covariance matrix is close to zero. This research the determinant of covariance matrix value shows close to zero, then the data used in this research there are multicollinearity and singularity.

**4.3.2. Model Interpretation and Modification**

In this study, model interpretation and modification do not fulfill the test requirements. If it is found that its residual value is more than 2.58, then a modification is required by adding a model with a new groove. Here is a table of standardized residual covariance:

**Table 4.7**  
**Standardized Residual Covariances**

	B8	B7	B6	B5	B4	B3	B2	B1	A9	A10	A11	A5	A6	A7	A8	A4	A3	A2	A1
B8	,000																		
B7	-,027	,000																	
B6	,035	,036	,000																
B5	-,259	-,035	,201	,000															
B4	,102	,252	-,467	-,031	,000														
B3	,298	-,143	-,011	,042	-,128	,000													
B2	,100	-,091	-,418	-,038	-,041	,188	,000												
B1	,353	-,084	-,840	-,032	,295	-,120	,122	,000											
A9	1,239	,775	,774	,273	-,246	,060	-,766	-,021	,000										
A10	,942	,940	1,312	,490	-,134	,637	-,453	-,357	-,044	,000									
A11	,985	,915	,904	-,003	-,313	-,256	-,641	-,186	,091	-,046	,000								
A5	-,275	,159	-,957	,495	-,328	-,402	-,122	-,029	-,940	-,128	-,106	,000							
A6	-,564	,188	,256	,208	,099	-,014	-,455	-,266	,316	1,348	1,105	-,121	,000						
A7	,439	1,403	1,035	1,750	1,611	,968	1,276	1,078	-,174	,327	-,290	-,084	-,096	,000					
A8	-,446	-,294	-,647	-,064	-,481	-,341	-,901	-,269	-,1535	-,879	-,530	,380	,130	-,376	,000				
A4	-,503	-,1491	-,292	-,841	-,519	-,636	-,2002	-,864	-,235	-,486	-,827	-,1101	-,860	-,1268	,314	,000			
A3	,564	-,313	,612	,435	,822	,078	-,1048	,437	-,293	,841	,194	-,247	,512	-,728	1,162	,123	,000		
A2	-,642	-,844	-,866	-,855	-,549	,231	-,814	,458	-,1116	-,482	-,1243	,053	-,259	-,799	,863	-,334	,264	,000	
A1	1,949	,443	1,320	1,021	,899	1,254	,178	1,645	1,282	1,452	,354	-,103	,368	,467	,677	,230	-,396	,131	,000

Source: primary data, be processed 2017

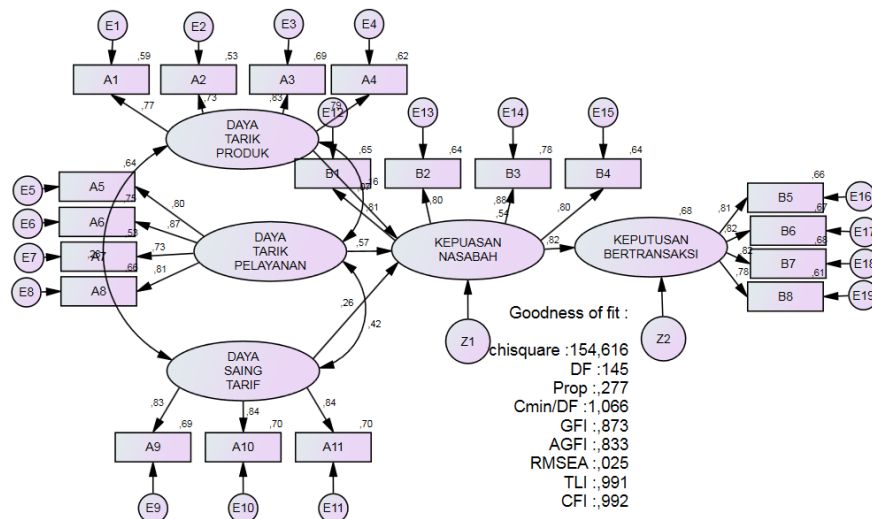
Based on the above, data is not found the value of standardized residual covariance above the number  $\pm 2.58$  it can be concluded that there is no modifying the research model.

**4.4. Research Model Testing**

Research model testing looking at the suitability between the proposed model with shown from the results of the research model through the results of goodness of fit on the research model. The model proposed in this study can be known from the causal relationship

between product quality, service quality, tariff competitiveness, customer satisfaction, as well as on the transaction decisions, the results of the model research processing bellows:

**Figure 4.4**  
**Research Model Testing Results**



Source: primary data, be processed 2017

Goodness of fit testing to know between model accuracy towards research data. Determining whether or not on a research model is effected the index of the test results compared with the critical value.

**Table 4.8**  
**Goodness of Fit Indexes for Full Model**

Goodness of fit indeks	Cut off value	Results	Model Evaluation
Chi-square (df=145)	< 174,101	154,616	Good
Probability	≥0,05	0,277	Good
CMIN/DF	≤2,00	1,066	Good
GFI	≥0,90	0,873	Marginal
AGFI	≥0,90	0,833	Marginal
TLI	≥0,95	0,991	Good
CFI	≥0,95	0,992	Good
RMSEA	≤0,08	0,025	Good

Source: primary data, be processed 2017

Data processing results in the table above show that the evaluation of the overall model categorized well or fulfill the required criteria of the required assessment. Chi square value's research model is considered good if the results of the calculated chi-square value show a smaller value than the chi-square table, it is clear that if there is no difference between population estimation and the sample in the tested study indicates the better the research model. Chi square value on the data above the results of the research model is 154.616, where the critical value of chi square table with DF = 145 is 174.101. From the results can be explained that the results of the model research showed that the value of calculated chi square is smaller than the value of chi square table, this explains that this research model is no difference in population that is estimated and considered good or accepted. The goodness of fit of other indexes such as probability, RMSEA, CMIN, TLI, CFI are still within the required range of values so well considered, and at the GFI and AGFI index values in the table above shows the model evaluation on the marginal criteria meaning they are still in the range the required or expected value, and overall the model in this study is good.

#### 4.5. Direct and Indirect Effect Analysis

The purpose of effect analysis between directly or indirectly variables is to know the largest effect so it will be easier to do future strategy election. In the table below 4:28 presented about the results of direct and indirect effect. The effect analysis is used to analyze the strength of effect between constructs, either direct or indirect effect. The coefficient of all coefficient lines with one end dart is called direct effect, whereas the effect that arises through variable is an indirect effect. The effects of various correlation are called total effects (Ferdinand 2006).

Based on data processing results using SEM in full model research shows direct value and indirect effect of product fascination, service fascination, tariff competitiveness, customer satisfaction and transaction decisions variables, shown in table bellows:

**Table 4.9**  
**Direct and Indirect Effect Analysis**

	Direct Effect	Indirect Effect
Product Fascination on Customer Satisfaction (X1 – Y1)	0,118	
Service Fascination on Customer Satisfaction (X2 – Y1)	0,618	
Tariff Competitiveness on Customer Satisfaction (X3 – Y1)	0,276	
Customer Satisfaction on Transaction Decisions (Y1 – Y2)	0,804	
Product Fascination on Transaction Decisions (X1 – Y2)		0,094
Service Fascination on Transaction Decisions (X2 – Y2)		0,496
Tariff Competitiveness on Transaction Decisions (X3 – Y2)		0,222

Source: primary data, be processed 2017

Table above can be seen that direct effect of product fascination on customer satisfaction is 0.118, direct effect of service fascination on customer satisfaction 0.618, direct effect of tariff competitiveness on customer satisfaction 0.276, and direct effect of customer satisfaction on transaction decisions 0.804. Indirect effect of products fascination on transaction decisions 0.094, indirect effect of service fascination on transaction decisions 0.496, indirect effect of tariff competitiveness on transaction decisions 0.222.

#### 4.6. Hypothesis Testing

Hypothesis test can be done after all assumption testing can be fulfilled. CR value on weight regression result of structural equation model analysis can be shown in table 4.10.

**Table 4.10**  
**Weights Regression Full Model**

		Estimate	S.E	C.R	P	Label
Customer Satisfaction	<--- Service Fascination	,618	,116	5,304	***	par_15
Customer Satisfaction	<--- Product Fascination	,118	,150	,782	,434	par_16
Customer Satisfaction	<--- Tariff Competitiveness	,276	,103	2,684	,007	par_18
Transaction Decisions	<--- Customer Satisfaction	,804	,104	7,703	***	par_17

Source: primary data, be processed 2017

Weight regression table of SEM (structural equation model), from CR value which is above 1.96 with probability value smaller than 0.05 so that mean if hypothesis is acceptable. However, if the CR value is below 1.96 and with a probability value greater than 0.05 then the proposed hypothesis is rejected or unacceptable. From the test results above hypothesis test in weight regression table can be seen that there is 1 hypothesis that is on hypothesis 1 product fascination on customer satisfaction with CR value 0.782 with probability 0.434.

#### 4.7. Discussions

Hypotheses results discussion from 1 to hypothesis 5 can be seen in table 4:11 belows:

**Table 4.11**  
**Hypothesis Results**

Hypothesis	Testing Result
H1: The Higher Product Fascination The Higher Brilink Customer Satisfaction Level	Rejected
H2: The Higher Service Fascination The Higher Brilink Customer Satisfaction	Accepted
H3: The Higher Tariff Competitiveness The Higher Brilink Customer Satisfaction Level	Accepted
H4: The Higher Customer Satisfaction The Higher Transaction Decisions	Accepted

Source: primary data, be processed 2017

#### 1 Hypothesis Results Discussion

Data processing result hence obtained relation between variable that is product fascination on customer satisfaction as hypothesis I do not fulfill requirement for hypothesis I. Analysis result show CR value is 0.782 under 1.96 and probability value (P) is 0.,434 above 0,05 so that it can not qualify from H1 accepted. The dimensions of the shaper of product fascination have no effect on customer satisfaction. This indicates that BRI's bank product fascination does not affect BRILink customer satisfaction level, from open questions that have been given to the respondents this is effected by several things such as consumers who tend not to know about the agency BRILink itself, consumers still can not distinguish between agency BRILink, ATM, and office units. Consumers are not fully aware of BRILink agent products and services.

#### 2 Hypothesis Results Discussion

Data processing result is obtained for the correlation between service fascination variable the higher the brilink customer satisfaction as hypothesis 2 which fulfill the requirement of acceptance of hypothesis 2. CR value analysis result 5.304 above 1.96 and probability value (p) is <0.05 below 0.05 to qualify from the acceptance of H2. The dimension of service fascination affects BRILink on customer satisfaction. This shows that good service fascination can increase customer satisfaction BRILink. There are other factors beyond Pulling Services that can increase customer satisfaction BRILink including agents provide a clear explanation of BRI customers who make transactions at BRILink agents so that customers are satisfied and will re-transact the agent because it is easier, safer and faster accordingly with what the customer wants. Service quality is known to have a major effect on customer satisfaction levels, this is because customers want to be treated well to feel valued, but if customers are treated uncomfortably, they are likely to put on disappointment and share their experiences with others.

#### 3 Hypothesis Results Discussion

There is correlation between variables based on the results of the data processing that the tariffs competitiveness variable the higher the level of customer satisfaction brilink as hypothesis 3 has been eligible for acceptance of hypothesis 3. CR value shows 2.684 above 1.96 and the probability value (p) 0.007 below 0.05 to qualify for H3 acceptance. The dimension of tariff competitiveness effect on brilink customer satisfaction level, it shows that the benefits that have been received by the customer in accordance with what has been expected. Tariffs charged by BRI customers who perform at BRILink agents make an impact



on the satisfaction level of the customers themselves, as each agent is entitled to determine the amount of administrative fees charged by BRI bank customers who will perform the transaction at the BRILink agency.

### **3 Hypothesis Results Discussion**

Correlation between variables from result of data processing show that customer satisfaction variable on transaction decisions at hypothesis 4 fulfill the requirement from acceptance hypothesis 4. CR value show 7.703 above 1.96 and probability value (p) is <0.05 so fulfill requirement of H4 acceptance. The dimension of customer satisfaction effect on transactions decisions. This shows that the benefits obtained from Bank BRI could increase the number of transactions. The level of satisfaction that the customer receives will provide a positive decision on BRI customers to conduct transactions at BRILink agents with consideration of affordable services and tariffs as well as the speed and security of BRILink agents offer. In a study conducted at BRILink agents, the researchers conducted open interviews of BRI bank customer respondents who transacted at BRILink agents around their home environment, they were generally pleased with the presence of BRILink agents in their neighborhood, as banking transactions could be done with faster, closer, safer, and easier so they feel satisfied and can trade on BRILink agents so that an increasing number of transactions can be achieved.

## **5. CONCLUSIONS AND POLICY IMPLICATIONS**

### **5.1. Conclusions**

This research purpose to analyze the effect of product fascination, service fascination, tariff competitiveness on transaction decisions through customer satisfaction level. Respondent's data are 110 respondents who have been asked to fill out questionnaires in which there are questions that are used to measure the extent of the effect between product fascination, service fascination, and tariff competitiveness and customer satisfaction on transaction decisions. The results were four hypotheses, 3 of which were accepted and (proven to have a positive effect) while the other 1 was rejected or not proven to have a positive effect. The greatest effect is the effect of customer satisfaction on transaction decisions. This study found the results that consumers will put a high confidence in the company if they get treatment and good service, this good service includes the agent's own friendliness. This research the hypothesis are 4 hypotheses.

### **5.2. Research Problems Conclusion**

This research purpose to answer the problem of existing research is how to improve transaction decisions in BRILink Agent. The results are further used to help draw conclusions and produce three basic processes in improving transaction decisions, such as: by increasing products fascination, service fascination, and tariff competitiveness to obtain customer satisfaction, then customer satisfaction has great effect on consumer attitudes when will do transaction in brilink agent.

### **5.3. Research Limitations**

This research there are still limitations and weaknesses, where the existence of these limitations and weaknesses can be used as reference for future research. Here are the limitations:

1. Based on the results of this research which only service fascination and tariff competitiveness on customer satisfaction, while products fascination did not affect customer satisfaction.
2. The breadth of territory and the characteristics of the community as well as the educational background of the respondents are also something to consider.

#### 5.4. Future Research Agenda

This research there are still limitations which can be used as the basis and evaluation in subsequent research. Here are suggestions for further research:

1. This research there are still variables that need to be added to replace product fascination variable.
2. Scope of data research more widely to obtain broader data in this study for example the level of the Regional Office of Semarang representing from various branches then future research will be more detailed and valid in conducting research on the factors that effects transaction decisions in BRILink agents.
3. There are several variables that can be developed or researched in subsequent research including: Promotion or advertising, Word of Mouth (WOM), and Motivation.

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