

**FACTORS INFLUENCING
CUSTOMER LOYALTY IN THE INDONESIAN
BANKING INDUSTRY: AN APPLICATION OF
THE INVESTMENT MODEL**

KENI

**UNIVERSITI SAINS MALAYSIA
2014**

**FACTORS INFLUENCING CUSTOMER
LOYALTY IN THE INDONESIAN BANKING
INDUSTRY: AN APPLICATION OF
THE INVESTMENT MODEL**

by

KENI

**Thesis Submitted in Fullfillment of the Requirements
for the Degree of Doctor of Business Administration**

AUGUST 2014

ACKNOWLEDGEMENTS

Namo Tassa Bhagavato Arahato Samma Sambuddhassa

My highest respect to the Buddha, the Blessed One, the Exalted One, the Fully Enlightened one. This study would never have been completed without the help of some people and for that I would like to express my gratitude to all people who give me strength and contribution throughout this research.

I wish to express my deepest gratitude to my supervisor, Professor Dato' Dr. Hasnah Haji Haron and my co-supervisor Professor Dato' Ishak Ismail, for their efforts, comments and encouragement throughout my study period. They have imparted not only a great deal of knowledge but also gave me inspiration. They are always available for consultation. I truly feel greatly indebted to them. Without their guidance and patient perseverance, this dissertation would never have been completed. They have assisted me greatly and for that I am really thankful.

I would like to express my sincere appreciation to my internal examiner, Prof. Datin Ruhani Ali, Dr. Salmi Mohd. Isa and Dr. Goh Yen Nee, for their valuable comments which resulted in shaping and revising of the study.

I am also deeply grateful to Associate Professor Dr. Sofri Yahya, Dean of Graduate School of Business, Associate Professor Dr. Siti Nabiha Abdul Khalid and Dr. Elisha, DBA Programme Manager and to all lecturers and academic staff of Graduate School of Business, especially Dr. Teoh Ai Ping and Dr. Rajendran Muthuveloo who had shared their knowledge expertise in seminars and consultancy.

The journey of completing this study has been so inspiring and fulfilling and for that, I would like to thank few distinguished individuals who have dedicated their time and effort in supporting this study. Their unwavering support has been tested

through good and bad times of which I will be forever grateful. Mr. Lerbin Aritonang, Marketing Professor of Tarumanagara University who always pushes myself to the limit and gives me support especially on the research techniques. Ms. Feny, Assistant of Economic and Industry Researcher in Bank Central Asia and Mr. Yusi Yusianto, banking practitioner and academic. Your insights and inputs on the banking industry in Indonesia have proven to be beneficial in this study. Mr. William Tan and Mr. Ferdian Bonar, marketing research professionals. Thank you for your encouragement and support through all those discussion sessions that we had. You have contributed significant part and this study would never have been completed without your help and guidance. I also would like to extend my deepest gratitude to all friends in UIB group especially Mulia Pamadi and Agustina, all my colleagues and friends in Tarumanagara University who are always there for me when I need help.

Most importantly, my highest respect and gratitude go to my parents, my brothers and my sisters for their support and encouragement that had given me the strength and endurance throughout this study and provided me with all possible opportunities for a good education.

Last but not least, all other individuals whom I have worked with that I can not possibly mention one by one in this acknowledgement. Thank you very much for making one of my dreams comes true.

TABLE OF CONTENTS

	Page
TITLE PAGE	i
ACKNOWLEDGMENTS	ii
TABLE OF CONTENTS	iv
LIST OF TABLES	xi
LIST OF FIGURES	xiv
LIST OF APPENDICES	xviii
LIST OF ABBREVIATIONS	xix
ABSTRAK	xxiii
ABSTRACT	xxv
CHAPTER 1 – INTRODUCTION	
1.1 Introduction	1
1.2 Background	1
1.3 Problem Statement	7
1.4 Research Objectives	13
1.5 Research Questions	14
1.6 Definition of Key Terms	15
1.7 Significance of the Study	17
1.7.1 Contribution to Theoretical Development	17
1.7.2 Contribution to Managerial Practice	18
1.8 Organization of Remaining Chapters	19

CHAPTER 2 - LITERATURE REVIEW

2.1	Introduction	20
2.2	Banking Industry in Indonesia	20
2.3	Customer Loyalty	28
2.3.1	Conceptualization of Customer Loyalty	29
2.3.2	Customer Loyalty in the Banking Industry	32
2.4	Commitment	41
2.4.1	Conceptualization of Commitment	42
2.5	The Investment Model	43
2.5.1	Satisfaction	45
2.5.2	Quality of Alternatives	47
2.5.3	Investment size	47
2.6	Theoretical Framework	56
2.7	Hypotheses Development	56
2.7.1	The Effect of Service Satisfaction, Quality Of Alternatives and Investment Size to Customer Commitment	57
2.7.2	The Effect of Service Satisfaction, Quality Of Alternatives and Investment Size to Customer Loyalty	59
2.7.3	The Effect of Customer Commitment to Customer Loyalty	61
2.7.4	The Mediating Effect of Customer Commitment on Service Satisfaction, Quality of Alternatives, Investment Size and Customer Loyalty	62
2.8	Summary	63

CHAPTER 3 – RESEARCH METHODOLOGY

3.1	Introduction	65
3.2	Research Design	65

3.3	Variables	67
3.4	Unit of Analysis	67
3.5	Population and Sample Size	67
3.6	Data Collection Procedure	73
3.6.1	Data Collection Preparation	73
3.6.1.1	Pre-Test	73
3.6.1.2	Pilot-Test	74
3.6.2	Final Data Collection	76
3.7	Research Instrument	77
3.7.1	Service Satisfaction	79
3.7.2	Quality of Alternatives	80
3.7.3	Investment Size	80
3.7.4	Customer Commitment	80
3.7.5	Customer Loyalty	81
3.8	Data Analysis	81
3.8.1	Descriptive Statistics	82
3.8.2	Structural Equation Modeling (SEM)	82
3.8.2.1	Measurement Model	85
3.8.2.2	Structural Model	87
3.8.2.3	Goodness of Fit Test Statistics	88
3.9	Summary	89

CHAPTER 4 – DATA ANALYSIS AND FINDINGS

4.1	Introduction	91
4.2	Response Rate	91

4.3	Profile of Respondents	93
4.3.1	Gender	95
4.3.2	Domicile	95
4.3.3	Age	96
4.3.4	Education Level	96
4.3.5	Occupation	97
4.3.6	Income Level	98
4.4	Respondents Profile of Each Primary Bank	98
4.4.1	Primary Bank and Duration as Primary Bank	99
4.4.2	Primary Bank and Gender	100
4.4.3	Primary Bank and Domicile	101
4.4.4	Primary Bank and Age	101
4.4.5	Primary Bank and Highest Education Level	102
4.4.6	Primary Bank and Occupation	103
4.4.7	Primary Bank and Income Level	103
4.5	Descriptive Statistics of Variables	104
4.5.1	Tangible	107
4.5.2	Reliability	108
4.5.3	Responsiveness	109
4.5.4	Assurance	109
4.5.5	Empathy	110
4.5.6	Quality of Alternatives	111
4.5.7	Investment Size	112
4.5.8	Affective Commitment	113
4.5.9	Continuance Commitment	114

4.5.10	Normative Commitment	114
4.5.11	Behavioral Customer Loyalty	115
4.5.12	Attitudinal Customer Loyalty	116
4.5.13	Cognitive Customer Loyalty	117
4.6	Analysis and Results of the Research Model	118
4.6.1	Measurement Model	118
4.6.1.1	Tangible	120
4.6.1.2	Reliability	121
4.6.1.3	Responsiveness	122
4.6.1.4	Assurance	124
4.6.1.5	Empathy	125
4.6.1.6	Quality of Alternatives	127
4.6.1.7	Investment Size	129
4.6.1.8	Affective Commitment	130
4.6.1.9	Continuance Commitment	132
4.6.1.10	Normative Commitment	134
4.6.1.11	Behavioral Customer Loyalty	136
4.6.1.12	Attitudinal Customer Loyalty	138
4.6.1.13	Cognitive Customer Loyalty	139
4.6.1.14	Second-Order CFA: Service Satisfaction	141
4.6.1.15	Second-Order CFA: Customer Commitment	144
4.6.1.16	Second-Order CFA: Customer Loyalty	146
4.6.2	Test of the Normality	149
4.6.3	Structural Model	152
4.6.4	Goodness of Fit Test	156

4.6.5	Hypotheses Testing	156
4.6.6	Testing of Mediating Effect of Customer Commitment	160
4.7	Summary of Results of Hypotheses in the Study	162

CHAPTER 5 – DISCUSSIONS AND CONCLUSIONS

5.1	Introduction	164
5.2	Recapitulation of the Study Findings	164
5.3	Discussion	166
5.3.1	Descriptive Statistics of Each Studied Variables	168
5.3.2	The Effect of Service Satisfaction, Quality of Alternatives and Investment Size to Customer Commitment	169
5.3.2.1	The Effect of Service Satisfaction to Customer Commitment	169
5.3.2.2	The Effect of Quality of Alternatives to Customer Commitment	171
5.3.2.3	The Effect of Investment Size to Customer Commitment	173
5.3.3	The Effect of Service Satisfaction, Quality of Alternatives and Investment Size to Customer Loyalty	175
5.3.3.1	The Effect of Service Satisfaction to Customer Loyalty	175
5.3.3.2	The Effect of Quality of Alternatives to Customer Loyalty	177
5.3.3.3	The Effect of Investment Size to Customer Loyalty	178
5.3.4	The Effect of Customer Commitment to Customer Loyalty	179
5.3.5	The Mediating Effect of Customer Commitment on Service Satisfaction, Quality of Alternatives, Investment Size and Customer Loyalty	180
5.3.5.1	Customer Commitment Mediates the Effect of Service Satisfaction to Customer Loyalty	180
5.3.5.2	Customer Commitment Mediates the Effect of Quality of Alternatives to Customer Loyalty	181

5.3.5.3 Customer Commitment Mediates the Effect of Investment Size to Customer Loyalty	182
5.4 Implication of the Findings	183
5.4.1 Theoretical Implications	183
5.4.2 Practical Implications	185
5.5 Limitations of the Study	189
5.6 Suggestions for Future Research	190
5.7 Conclusion	191
REFERENCES	194
APPENDICES	205 - 382

LIST OF TABLES

	Page
1.1 The List of Mergers and Acquisitions between 2000 and 2010	2
1.2 The List of Indonesia Foreign – Owned Banks	4
1.3 The Definition of Variables Examined in the Study	15
2.1 The Microeconomics Policies in Indonesian Banking 1983 – 1997	22
2.2 Financial Highlight of Top Ten Banks (Quarter 2 – 2013) in Rp Trillion	27
2.3 Factors Influencing Customer Loyalty in Banking Industry	33
2.4 Summary of Factors Influencing Customer Loyalty in Banking Industry	39
2.5 Summary of Research Related to the Investment Model	49
3.1 List of Banks in Indonesia	68
3.2 The Results of Reliability Test for Pilot-Test	76
3.3 Source and Description of All Study Variables Measures	79
3.4 Cutoff Criteria for Several Fit Indexes	89
4.1 No. of Questionnaire Distributed across Banks	92
4.2 Rate of Return Questionnaires	93
4.3 Respondents Profile Table (n=403)	94
4.4 Mean and Standard Deviation of Each Studied Variables – Pre Validity and Reliability Test (n=403)	105
4.5 Mean Score of Each Statement in Tangible Variable (n=403)	108
4.6 Mean Score of Each Statement in Reliability Variable (n=403)	108
4.7 Mean Score of Each Statement in Responsiveness Variable (n=403)	109
4.8 Mean Score of Each Statement in Assurance variable (n=403)	110
4.9 Mean Score of Each Statement in Empathy variable (n=403)	111

4.10	Mean Score of Each Statement in Quality of Alternatives Variable (n=403)	112
4.11	Mean Score of Each Statement in Investment Size Variable (n=403)	113
4.12	Mean Score of Each Statement in Affective Commitment Variable (n=403)	113
4.13	Mean Score of Each Statement in Continuance Commitment Variable (n=403)	114
4.14	Mean Score of Each Statement in Normative Commitment Variable (n=403)	115
4.15	Mean Score of Each Statement in Behavioral Customer Loyalty Variable (n=403)	116
4.16	Mean Score of Each Statement in Attitudinal Customer Loyalty Variable (n=403)	117
4.17	Mean Score of Each Statement in Cognitive Customer Loyalty Variable (n=403)	117
4.18	Calculation of CR, AVE, Cronbach's Alpha and GOF for Tangible Variable	120
4.19	Calculation of CR, AVE, Cronbach's Alpha and GOF for Reliability Variable	122
4.20	Calculation of CR, AVE, Cronbach's Alpha and GOF for Responsiveness Variable	123
4.21	Calculation of CR, AVE, Cronbach's Alpha and GOF for Assurance Variable	125
4.22	Calculation of CR, AVE, Cronbach's Alpha and GOF for Empathy Variable	126
4.23	Calculation of CR, AVE, Cronbach's Alpha and GOF for Quality of Alternatives Variable	128
4.24	Calculation of CR, AVE, Cronbach's Alpha and GOF for Investment Size Variable	130
4.25	Calculation of CR, AVE, Cronbach's Alpha and GOF for Affective Commitment Variable	132
4.26	Calculation of CR, AVE, Cronbach's Alpha and GOF for Continuance Commitment Variable	134

4.27	Calculation of CR, AVE, Cronbach's Alpha and GOF for Normative Commitment Variable	136
4.28	Calculation of CR, AVE, Cronbach's Alpha and GOF for Behavioral Customer Loyalty Variable	137
4.29	Calculation of CR, AVE, Cronbach's Alpha and GOF for Attitudinal Customer Loyalty Variable	139
4.30	Calculation of CR, AVE, Cronbach's Alpha and GOF for Cognitive Customer Loyalty Variable	140
4.31	Second-Order CFA of Service Satisfaction: Calculation of CR, AVE, Cronbach's Alpha and GOF	144
4.32	Second-Order CFA of Customer Commitment: Calculation of CR, AVE, Cronbach's Alpha and GOF	146
4.33	Second-Order CFA of Customer Loyalty: Calculation of CR, AVE, Cronbach's Alpha and GOF	148
4.34	Summary of Validity and Reliability Test Results (n=403)	149
4.35	Measures of the Constructs and Descriptive Statistics	151
4.36	Goodness of Fit Test	156
4.37	Structural Equation Model	158
4.38	t-value and Coefficient on Structural Model	159
4.39	t-value and Coefficient for Mediating Analysis	160
4.40	Direct Effect, Indirect Effect and Total Effect for Mediating Analysis	161
4.41	Summary of the Results of Hypotheses Testing in the Study	163
5.1	A Summary of Hypotheses Testing and Finding	167
5.2	Mean and Standard Deviation of Each Studied Variables (n=403)	168

LIST OF FIGURES

	Page
1.1 Top Ten Banks which Dominate National Asset Bank in Indonesia	3
1.2 Indonesian Bank Loyalty Index (ILBI) in the Year 2008-2012	9
1.3 Consumer Banking Base on Satisfaction and Loyalty Level	11
2.1 Indonesian Banking Institution Recapitulation	21
2.2 Numbers of Indonesian Banks	23
2.3 Performance of the Indonesian Banking Industry	24
2.4 Saving Account per 1,000 Adults	25
2.5 Bank Branches per 1,000 Adults	26
2.6 Theoretical Framework	56
3.1 Percentage of Branch of Ten Studied Commercial Banks Based on Province	70
3.2 Percentage of Third Party Fund of Commercial Banks Based on Province	71
3.3 Percentage of Loan of Commercial Banks Based on Province	71
3.4 Structural Equation Modeling for the Study	85
4.1 Respondents by Gender	95
4.2 Respondents by Domicile	96
4.3 Respondents by Age	96
4.4 Respondents by Education Level	97
4.5 Respondents by Occupation	97
4.6 Respondents by Income Level	98
4.7 Primary Banks	99
4.8 Primary Bank Breakdown by Duration as Primary Bank	100

4.9	Primary Bank Breakdown by Gender	100
4.10	Primary Bank Breakdown by Domicile	101
4.11	Primary Bank Breakdown by Age	102
4.12	Primary Bank Breakdown by Highest Education Level	102
4.13	Primary Bank Breakdown by Occupation	103
4.14	Primary Bank Breakdown by Income Level	104
4.15	Tangible (Standardized Solution)	120
4.16	Tangible (t-values)	120
4.17	Reliability (Standardized Solution)	121
4.18	Reliability (t-values)	121
4.19	Responsiveness (Standardized Solution)	123
4.20	Responsiveness (t-values)	123
4.21	Assurance (Standardized Solution)	124
4.22	Assurance (t-values)	124
4.23	Empathy (Standardized Solution)	126
4.24	Empathy (t-values)	126
4.25	Quality of Alternatives (Standardized Solution)	127
4.26	Quality of Alternatives (t-values)	127
4.27	Quality of Alternatives without Invalid Variables (Standardized Solution)	128
4.28	Quality of Alternatives without Invalid Variables (t-values)	128
4.29	Investment Size (Standardized Solution)	129
4.30	Investment Size (t-values)	129
4.31	Affective Commitment (Standardized Solution)	131
4.32	Affective Commitment (t-values)	131

4.33	Affective Commitment without Invalid Variables (Standardized Solution)	131
4.34	Affective Commitment without Invalid Variables (t-values)	131
4.35	Continuance Commitment (Standardized Solution)	133
4.36	Continuance Commitment (t-values)	133
4.37	Continuance Commitment without Invalid Variables (Standardized Solution)	133
4.38	Continuance Commitment without Invalid Variables (t-values)	133
4.39	Normative Commitment (Standardized Solution)	135
4.40	Normative Commitment (t-values)	135
4.41	Normative Commitment without Invalid Variables (Standardized Solution)	135
4.42	Normative Commitment without Invalid Variables (t-values)	135
4.43	Behavioral Customer Loyalty (Standardized Solution)	137
4.44	Behavioral Customer Loyalty (t-values)	137
4.45	Attitudinal Customer Loyalty (Standardized Solution)	138
4.46	Attitudinal Customer Loyalty (t-values)	138
4.47	Cognitive Customer Loyalty (Standardized Solution)	140
4.48	Cognitive Customer Loyalty (t-values)	140
4.49	Second-Order CFA of Service Satisfaction (Standardized Solution)	142
4.50	Second-Order CFA of Service Satisfaction (t-values)	143
4.51	Second-Order CFA of Commitment (Standardized Solution)	145
4.52	Second-Order CFA of Commitment (t-values)	145
4.53	Second-Order CFA of Customer Loyalty (Standardized Solution)	147
4.54	Second-Order CFA of Customer Loyalty (t-values)	147
4.55	Structural Model (Estimates)	153

4.56	Structural Model (Standardized Solution)	154
4.57	Structural Model (t-values)	155
5.1	Theoretical Framework	184

LIST OF APPENDICES

	Page
Appendix A: Cover Letter and Questionnaire (English Version)	205
Appendix B: Cover Letter and Questionnaire (Bahasa Indonesia Version)	214
Appendix C: The Result of Pilot-Test	223
Appendix D: SEM for Each Studied Variable	230
Appendix E: Profile of Respondents	233
Appendix F: Cross-Tabulation between Bank Service Information and Respondent's Profile	236
Appendix G: Descriptive Statistics	242
Appendix H: Alpha's Cronbach	257
Appendix I: Measurement Model: First-Order CFA	260
Appendix J: Measurement Model: Second-Order CFA	312
Appendix K: Structural Model	331

LIST OF ABBREVIATIONS

1.0	GDP	Gross Domestic Product
1.1	PP	Peraturan Pemerintah
1.2	ASEAN	Association of South East Asia Nations
1.3	AEC	ASEAN Economic Community
1.4	MITI	Ministry of International Trade and Industry
1.5	DBS	The Development Bank of Singapore
1.6	YLKI	Yayasan Lembaga Konsumen Indonesia
1.7	IBLI	Indonesian Bank Loyalty Index
1.8	SEM	Structural Equation Modeling
1.9	BCA	Bank Central Asia
2.0	BRI	Bank Rakyat Indonesia
2.1	BNI	Bank Negara Indonesia
2.2	BII	Bank Internasional Indonesia
2.3	BTN	Bank Tabungan Negara
2.4	CIMB	Commerce International Merchant Bankers
2.5	MRI	Marketing Research Indonesia
2.6	SERVQUAL	Service Quality
2.7	UU	Undang-Undang
2.8	CAR	Capital Adequacy Ratio
2.9	NLPs	Non-Performing Loans
3.0	IMF	International Monetary Fund
3.1	ABIF	ASEAN Banking Integration Framework
3.2	QAB	Qualified ASEAN Bank

3.3	LISREL	Linear Structural Relationship
3.4	EBCs	Established Bank Customers
3.5	UK	United Kingdom
3.6	ECSI	European Customer Satisfaction Index
3.7	PLS	Partial Least Square
3.8	ANOVA	Analysis of Variance
3.9	MBA	Master of Business Administration
4.0	USA	United State of America
4.1	MANOVA	Multivariate Analysis of Variance
4.2	SOW	Share of Wallet
4.3	CS	Customer Satisfaction
4.4	IBM SPSS	International Business Machines Corporation- Statistical Product and Service Solutions
4.5	AMOS	Analysis of Moment Structure
4.6	CFA	Confirmatory Factor Analysis
4.7	CR	Construct Reliability
4.8	AVE	Average Variance Extracted
4.9	GFI	Goodness-of-fit index
5.0	RMSEA	Root Mean Square Error of Approximation
5.1	RMR	Root Mean Square Residual
5.2	NFI	Normed Fit Index
5.3	TLI	Tucker-Lewis Index
5.4	CFI	Comparative Fit Index
5.5	RNI	Relative Noncentrality Index
5.6	AGFI	Adjusted Goodness of Fit Index

5.7	PNFI	Parsimony Normed Fit Index
5.8	NNFI	Non-Normed Fit Index
5.9	IFI	Incremental Fit Index
6.0	SRMR	Standard Root Mean Square Residual
6.1	AIC	Akaike Information Criterion
6.2	BCC	Browne-Cudeck Criterion
6.3	BIC	Bayes Information Criterion
6.4	CAIC	Consistent AIC
6.5	ECVI	Expected Cross-Validation Index
6.6	PNFI	Parsimony-adjusted NFI
6.7	PCFI	Parsimony-adjusted CFI
6.8	PGFI	Parsimony-adjusted GFI
6.9	AGFI	Adjusted GFI
7.0	WRMR	Weighted Root Mean Residual
7.1	ATM	Automated Teller Machine
7.2	MS	Mean Score
7.3	SD	Standard deviation
7.4	TANG	Tangible
7.5	REL	Reliability
7.6	RES	Responsiveness
7.7	ASS	Assurance
7.8	EMP	Empathy
7.9	QA	Quality of Alternatives
8.0	IS	Investment Size
8.1	CA	Affective Commitment

8.2	CC	Continuance Commitment
8.3	CN	Normative Commitment
8.4	CLB	Behavioral Customer Loyalty
8.5	CLA	Attitudinal Customer Loyalty
8.6	CLC	Cognitive Customer Loyalty
8.7	GOF	Goodness of Fit

FAKTOR MEMPENGARUHI KESETIAAN PELANGGAN DALAM INDUSTRI PERBANKAN INDONESIA: APLIKASI MODEL PELABURAN

ABSTRAK

Indonesia sebagai salah satu daripada negara-negara membangun Asia memerlukan industri perbankan yang kukuh bagi memastikan pertumbuhan ekonomi dan masa depan Indonesia. Untuk kekal kompetitif, salah satu faktor adalah untuk menjaga pelanggan yang sedia ada. Walau bagaimanapun, mengekalkan pelanggan adalah satu tugas yang lebih sukar untuk dicapai hari ini kerana terdapat persaingan yang semakin meningkat dari kedua-dua tempatan dan luar negara. Kadar beralih Bank telah meningkat sejak beberapa tahun dan aduan mengenai perkhidmatan yang ditawarkan oleh bank-bank telah meningkat. Pengekalan pelanggan telah menjadi isu penting yang perlu diselesaikan dan dengan itu lebih banyak pengetahuan dan pemahaman kepada faktor-faktor yang mempengaruhi kesetiaan pelanggan diperlukan.

Model pelaburan telah digunakan dalam kajian ini untuk meneliti kesetiaan pelanggan. Model ini terdiri daripada tiga pembolehubah - kepuasan, kualiti alternatif, dan saiz pelaburan. Objektif utama kajian ini adalah untuk mengkaji kesan kepuasan perkhidmatan, kualiti alternatif, saiz pelaburan kepada komitmen pelanggan dan kesetiaan pelanggan dan untuk meneliti sama ada komitmen pelanggan menjadi pengantara kesan kepuasan perkhidmatan, kualiti alternatif, saiz pelaburan dan kesetiaan pelanggan. Daripada 1,400 soal selidik diedarkan kepada pelanggan daripada sepuluh Bank Indonesia berdasarkan aset tertinggi, 403 soal

selidik telah diterima dan boleh digunakan. Pemodelan persamaan berstruktur (SEM) digunakan untuk menguji hipotesis kajian.

Keputusan kajian menunjukkan bahawa komitmen pelanggan mempunyai kesan yang positif dan signifikan kepada kesetiaan pelanggan. Ketiga-tiga pemboleh ubah dalam model pelaburan, iaitu, kepuasan perkhidmatan, kualiti alternatif dan saiz pelaburan didapati mempunyai kesan yang signifikan kepada komitmen pelanggan. Di samping itu, kedua-dua kepuasan perkhidmatan dan saiz pelaburan didapati mempunyai kesan signifikan dengan kesetiaan pelanggan. Kualiti alternatif bagaimanapun, didapati tidak signifikan kepada kesetiaan pelanggan. Kajian juga mendapati kesetiaan pelanggan diperkukuhkan apabila komitmen pelanggan memainkan peranan sebagai pemboleh ubah pengantara. Kajian ini mencadangkan pengurus bank untuk mengadakan aktiviti pemasaran yang dapat meningkatkan kesetiaan pelanggan, membangunkan kad skor prestasi untuk mengukur prestasi bank dan membina hubungan yang lebih kukuh dengan pelanggan untuk menghadapi persekitaran persaingan yang lebih sengit pada masa hadapan.

Kata Kunci: kesetiaan pelanggan, model pelaburan, industri perbankan, Indonesia

**FACTORS INFLUENCING CUSTOMER LOYALTY IN THE INDONESIAN
BANKING INDUSTRY: AN APPLICATION OF
THE INVESTMENT MODEL**

ABSTRACT

Indonesia, as one of the developing Asian countries requires a strong banking industry to ensure the economic and future growth of Indonesia. In order to remain competitive, one of the important factors for the banks is to maintain its existing customers. However, maintaining customer is a task more difficult to achieve these days as there is growing competition both from the local and outside the country. Bank switching rate has increased over the years as complaints about the services offered by the banks have increased. Customer retention has become an important issue to be resolved and thus more knowledge and understanding on factors affecting customer loyalty is needed.

An investment model approach has been applied to examine customer loyalty. The model consists of three variables - satisfaction, quality of alternatives, and investment size. The main objectives of the study are to examine the effect of service satisfaction, quality of alternatives, investment size to customer commitment and customer loyalty, and to examine whether customer commitment mediates the effect of service satisfaction, quality of alternatives, investment size and customer loyalty. Out of 1,400 questionnaires were distributed to the customers of the top ten Indonesian banks based on the highest assets, 403 questionnaires were received and usable. Structural Equation Modeling (SEM) was used to test the hypotheses of the study.

The results of this study showed that customer commitment has a positive and significant effect on customer loyalty. All the three variables in the investment model: service satisfaction, quality of alternatives, and investment size, were found to have a significant effect on customer commitment. In addition, both service satisfaction and investment size were found to have a significant effect on customer loyalty. Quality of alternatives however, was not found to be significant to customer loyalty. The study also found customer loyalty is strengthened whenever customer commitment plays the role as a mediating variable. The study suggests that bank managers to have marketing activities that would increase customer loyalty, developing performance scorecard to measure bank performance and build stronger relationships with customers to face stiffer competitive environment in the future.

Keywords: customer loyalty, investment model, banking industry, Indonesia.

REFERENCES

- Aaker, David A., Kumar, V., Day, George S., & Leone, Robert P. (2011). *Marketing research* (10th edition). Hoboken, N.J.: John Wiley & Sons, Inc.
- Abdurrani, Zaenal. (2013). Nasabah apostle dan terrorist. *Infobank*, XXXV, 96-97.
- Agnew, C. R., Hoffman, A. M., Lehmilller, J. J., & Duncan, N. T. (2007). From the interpersonal to the international: understanding commitment to the "war on terror". *Personality and Social Psychology Bulletin*, 33(11), 1-13.
- Agnew, C. R., Rusbult, C. E., Lange, P. A. M. V., & Langston, C. A. (1998). Cognitive interdependence: commitment and the mental representation of close relationships. *Journal of Personality and Social Psychology*, 74(4), 939-954.
- Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 63, 1-18.
- Anderson, James C., & Gerbing, D. W. (1988). Structural equation modeling in practice: a review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-23.
- Aritonang R., Lerbin (2007). *Riset pemasaran: teori dan praktik*, Bogor: Ghalia Indonesia.
- Assael, H. (2001). *Consumer behavior and marketing action* (sixth edition). Singapore: Thomson Learning.
- Ball, D., Coelho, P. S., & Machas, A. (2004). The role of communication and trust in explaining customer loyalty: an extension to the ECSI model. *European Journal of Marketing*, 38(9/10), 1272-1293.
- Bank Indonesia. (2002). *Statistik ekonomi keuangan Indonesia: Indonesian financial statistics*. Vol. IV (02). Jakarta: Bank Indonesia.
- Bank Indonesia. (2004). The Indonesia banking architecture. Retrieved 28th December, 2012, from <http://www.bi.go.id/web/en/Perbankan/Arsitektur+Perbankan+Indonesia>
- Bank Indonesia. (2011). Banking institution in Indonesia. Retrieved 28th December, 2012, from <http://www.bi.go.id/web/en/Perbankan/Ikhtisar+Perbankan/Lembaga+Perbankan/>
- Bank Indonesia. (2013a). *Indonesian banking statistics*. Vol. 11 (7). June 2013. Jakarta: Bank Indonesia.

- Bank Indonesia. (2013b). Commercial bank address in Indonesia. Retrieved 22nd Jan, 2013, from <http://www.bi.go.id/web/en/Publikasi/Laporan+Keuangan+Publikasi+Bank/Alamat+Bank/Alamat+Bank+Umum>
- Bank Indonesia. (2014). *Indonesian banking statistics*. Vol. 12 (3). February 2013. Jakarta: Bank Indonesia.
- Bansal, H. S., Irving, P. G., & Taylor, S. F. (2004). A three-commitment model of customer commitment to service providers. *Journal of the Academy of Marketing Science*, 32(3), 2234-2250.
- Baumann, C., Burton, S., Elliott, G., & Kehr, H. M. (2007). Prediction of attitude and behavioural intentions in retail banking. *International Journal of Bank Marketing*, 25(2), 102-116.
- Baumann, C., Elliott, G. E., & Hamin, H. (2011). Modelling customer loyalty in a hybrid of formative and reflective constructs. *International Journal of Bank Marketing*, 29(3), 247-267.
- Berli, A., Martín, J. D., & Quintana, A. (2004). A model of customer loyalty in the retail banking market. *European Journal of Marketing*, 38(1), 253-275.
- Bellizzi, J. A., & Bristol, T. (2004). An assessment of supermarket loyalty cards in one major US market. *Journal of Consumer Marketing*, 21(2), 144-154.
- Bharadwaj, S. G., Varadarajan, P. R., & Fahy, J. (1993). Sustainable competitive advantage in service industries: a conceptual model and research propositions. *Journal of Marketing*, 57(October 1993), 83-99.
- Bloemer, J., Ruyter, K. d., & Peeters, P. (1998). Investigating drives of bank loyalty: the complex relationship between image, service quality and satisfaction. *International Journal of Bank Marketing*, 16(7), 276-286.
- Bloemer, J. M. M., & Kasper, H. D. P. (1995). The complex relationship between consumer satisfaction and brand loyalty. *Journal of Economic Psychology*, 16, 311-329.
- Boulding, William, Kalra, Ajay, Staelin, R., & Zeithaml, V.A. (1993). A dynamic process model of service quality: from expectation to behavioral intentions. *Journal of Marketing Research*, XXX(February 1993), 7-27.
- Boakye, K. G., Kwon, J., Blankson, C., & Prybutok, V. R. (2012). The attraction of the sizzle: a service Investment Model. *The Quality Management Journal*, 19(4), 24-38.
- Boora, K. K., & Singh, H. (2011). Customer loyalty and its antecedents: a conceptual framework. *Asia Pacific Journal of Research in Business Management*, 2(1), 151-164.

- Bügel, M. s., Buunk, A. P., & Verhoef, P. C. (2010). A comparison of customer commitment in five sector using the psychological Investment Model. *Journal of Relationship Marketing*, 9, 2-29.
- Chen, S.-C. (2012). The customer satisfaction-loyalty relation in an interactive e-service setting: the Mediator. *Journal of Retailing and Consumer Service*, 19, 202-210.
- Christensen, Larry B., Johnson, R. Burke., Turner, Lisa A. (2011). *Research methods, design, and analysis*. (11th edition). Boston: Allyn & Bacon.
- Churchill, Gilbert A. Jr., & Iacobucci, Dawn. (2005). *Marketing research: methodological foundations* (9th edition). Australia: Thomson South-Western.
- Cooper, Donald R., & Schindler, Pamela S. (2008). *Business research methods* (10th edition). Boston: McGraw-Hill Higher Education.
- Day, G. S. (1969). A two dimensional concept of brand loyalty. *Journal of Advertising Research*, 9(3), 29-35.
- Dekimpe, M. G., Steenkamp, J.-B. E. M., Mellens, M., & Abeele, P. V. (1997). Decline and variability in brand loyalty. *International Journal of Research in Marketing*, 14, 405-420.
- Dick, A. S., & Basu, K. (1994). Customer loyalty: toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(2), 99-113.
- Drigotas, S. M., Safstrom, C. A., & Gentilia, T. (1999). An Investment Model prediction of dating infidelity. *Journal of Personality and Social Psychology*, 77(3), 509-524.
- Duffy, S. M., & Rusbult, C. E. (1986). Satisfaction and commitment in homosexual and heterosexual relationships. *Journal of Homosexuality*, 12(2), 1-23.
- Ernst & Young. (2012). The customer takes control: global consumer banking survey 2012.
- Farrell, D., & Rusbult, C. E. (1981). Exchange variables as predictors of job satisfaction, job commitment, and turnover: the impact of rewards, costs, alternatives, and investments. *Organizational Behavior and Human Performance*, 28(1), 78-95.
- Fullerton, G. (2003). When does commitment lead to loyalty? *Journal of Service Research*, 5(4), 333-344.
- Gable, S., & Hunting, M. (2001). Child care providers' organizational commitment: a test of the Investment Model. *Child and Youth Care Forum*, 30(5), 265-281.

- Ganesh, J., Arnold, M. J., & Reynolds, K. E. (2000). Understanding the customer base of service providers: an examination of the differences between switchers and stayers. *Journal of Marketing*, 64(3), 65-87.
- Ganguli, S., & Roy, S. K. (2011). Generic technology-based service quality dimensions in banking: impact on customer satisfaction and loyalty. *International Journal of Bank Marketing*, 29(2), 168-189.
- Garbarino, E., & Johnson, M. S. (1999). The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of Marketing*, 63(April), 70-87.
- Geyer, P. D., Dotson, M., & King, R. H. (1991). Predicting brand commitment: an empirical test of Rusbult's Investment Model. *Atlantic Journal of Business*, 27(2), 129-137.
- Ghozali, Imam, & Fuad. (2005). *Structural equation modeling: teori, konsep & aplikasi dengan program LISREL 8.54*. Semarang: Badan Penerbit Universitas Diponegoro.
- Griffin, J. (1995). *Customer loyalty. How to earn it. How to keep it*. New York: Lexington Books.
- Griffin, J. (2002). *Customer loyalty. How to earn it. How to keep it*. San Francisco: Jossey-Bass. A Wiley Imprint.
- Gundlach, G. T., Achrol, R. S., & Mentzer, J. T. (1995). The structure of commitment in exchange. *Journal of Marketing*, 59(January), 78-92.
- Gwinner, K. P., Gremler, D. D., & Bitner, M. J. (1998). Relational benefits in services industries: the customer's perspective. *Journal of the Academy of Marketing Science*, 26(2), 101-114.
- Hannawijaya. (2013). BSM: 90% nasabah adalah swing voters. Retrieved 22nd June, 2013, from <http://www.investor.co.id/home/bsm-90-nasabah-adalah-swing-voters/61407>.
- Hair, Joseph F. Jr., Black, William C., Babin, Barry J., Anderson, Rolph E. (2010). *Multivariate data analysis: a global perspectives*. 7th edition. New Jersey: Pearson Education Inc.
- Harris, L. C., & Goode, M. M. H. (2004). The four levels of loyalty and the pivotal role of trust: a study of online service dynamics. *Journal of Retailing*, 80, 139-158.
- Hatcher, L., Kryter, K., Prus, J. S., & Fitzgerald, V. (1992). Predicting college student satisfaction, commitment, and attrition from Investment Model constructs. *Journal of Applied Social Psychology*, 22(16), 1273-1296.

- Hill, N., & Alexander, J. (2000). *Handbook of customer satisfaction and loyalty measurement* (Second ed.). Vermont: Gower Publishing Limited.
- Hiram C. Barksdale, J., Johnson, J. T., & Suh, M. (1997). A relationship maintenance model: a comparison between managed health care and traditional fee-for-service. *Journal of Business Research*, 40, 237-247.
- Impett, E. A., Beals, K. P., & Peplau, L. A. (2001). Testing the Investment Model of relationship commitment and stability in a longitudinal study of married couples. *Current psychology: Development, Learning, Personality, Social*, 20(4), 312-326.
- Jacoby, J., Chestnut, R. W., & Fisher, W. A. (1978). A behavioral process approach to information acquisition in nondurable purchasing. *Journal of Marketing Research*, XV(November), 532-544.
- Javalgi, R. R. G., & Moberg, C. R. (1997). Service loyalty: implications for service providers. *The Journal of Service Marketing* 11(3), 165-179.
- Johnson, D. J., & Rusbult, C. E. (1989). Resisting temptation: devaluation of alternative partners as a means of maintaining commitment in close relationships. *Journal of Personality and Social Psychology*, 57(6), 967-980.
- Johnson, M. D., & Gustafsson, A. (2000). *Improving customer satisfaction, loyalty and profit. An integrated measurement and management system*. San Fransisco: Jossey-Bass, A Wiley Company.
- Jones, A., Mothersbaugh, David L. & Beatty, S. E. (2000). Switching barriers and repurchase intentions in services. *Journal of Retailing*, 76(2), 259-274.
- Jones, H., & Farquhar, J. D. (2007). Putting it right: service failure and customer loyalty in UK banks. *International Journal of Bank Marketing*, 25(3), 161-172.
- Jones, T., & Taylor, S. F. (2007). The conceptual domain of service loyalty: how many dimensions? *Journal of Services Marketing*, 21(1), 36-51.
- Kantsperger, R., & Kunz, W. H. (2010). Consumer trust in service companies: a multiple mediating analysis. *Managing Service Quality*, 20(1), 4-25.
- Koslowsky, M., & Kluger, A. (1986). Commitment to participation in musical activities: an extension and application of the Investment Model. *Journal of Applied Social Psychology*, 16(9), 831-844.
- Kotler, P., & Keller, K. L. (2006). *Marketing management* (12 edition). Upper Saddle River, New Jersey: Pearson Education Inc.
- Kurniasih, Apriyani. (2012). Penabung BCA masih paling loyal. *Infobank*, XXXIII, 24-30.

- Lam, R., & Burton, S. (2006). SME banking loyalty (and disloyalty): a qualitative study in Hong Kong. *International Journal of Bank Marketing*, 24(1), 37-52.
- Lam, R., Burton, S., & Lo, H.-P. (2009). Customer tradeoffs between key determinants of SME banking loyalty. *International Journal of Bank Marketing*, 27(6), 428-445.
- Le, B., & Agnew, C. R. (2003). Commitment and its theorized determinants: a meta-analysis of the Investment Model. *Personal relationships*, 10, 37-57.
- Lewis, B. R., & Soureli, M. (2006). The antecedents of consumer loyalty in retail banking. *Journal of Consumer Behaviour*, 5, 15-31.
- Liang, C.-J., Wang, W.H., & Farquhar, J. D. (2009). The influence of customer perceptions on financial performance in financial service. *International Journal of Bank Marketing*, 27(2), 129-149.
- Licata, J. W., & Chakraborty, G. (2009). The effect of stake, satisfaction, and switching on true loyalty: a financial services study. *International Journal of Bank Marketing*, 27(4), 252-269.
- Malhotra, Naresh K. (2010). *Marketing research. an applied orientation* (6th edition). Boston: Pearson Education.
- Matos, C. A. d., Henrique, J. L., & Rosa, F. d. (2009). The different roles of switching costs on the satisfaction-loyalty relationship. *International Journal of Bank Marketing*, 27(7), 506-523.
- Methlie, L. B., & Nysveen, H. (1999). Loyalty of on-line bank customers. *Journal of Information Technology*, 14, 375-386.
- Meyer, J. P., & Allen, N. J. (1984). Testing the "side-set theory" of organizational commitment: some methodological considerations. *Journal of Applied Psychology*, 69(3), 372-3788.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1(1), 61-89.
- Meyer, J. P., Stanley, D. J., Herscovitch, L., & Topolnytsky, L. (2002). Affective, continuance, and normative commitment to the organization: a meta analysis of antecedents, correlates, and consequences. *Journal of Vocational Behavior*, 61(1), 20-52.
- MITI. (2008). ASEAN economic community (AEC). Retrieved 22nd December, 2012, from http://www.miti.gov.my/cms/content.jsp?id=com.tms.cms.article.Article_b5e22087-c0a81573-aba0aba0-ab12873b

- Mittal, B., & Lassar, W. M. (1998). Why do customers switch? the dynamics of satisfaction versus loyalty. *The Journal of Service Marketing*, 12(3), 177-194.
- Moorman, C., Zaltman, G., & Deshpande, R. (1992). Relationships between providers and users of market research: the dynamic of trust within and between organizations. *Journal of Marketing Research*, XXIX(August), 314-328.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.
- Mouthinho, L., & Smith, A. (2000). Modelling bank customer satisfaction through mediation of attitudes towards human and automated banking. *International Journal of Bank Marketing*, 18(3), 124-134.
- Murray, K. B. (1991). A test of services marketing theory: consumer information acquisition activities. *Journal of Marketing*, 58(3), 10-25.
- Neal, C., Quester, P., & Hawkins, D. (1999). *Consumer behaviour: implications for marketing strategy* (Second ed.). Australia: The McGraw-Hill Companies, Inc.
- Nguyen, N., & LeBlanc, G. (1998). The mediating role of corporate image on customers' retention decisions: an investigation in financial services. *International Journal of Bank Marketing*, 16(2), 52-65.
- O'Loughlin, D., & Szmigin, I. (2006). Emerging perspectives on customer relationships, interactions and loyalty in Irish retail financial services. *Journal of Consumer Behaviour*, 5(2), 117-129.
- O'Brien, L., & Jones, C. (1995). Do rewards really create loyalty? *Harvard Business Review*, 73(May-June), 75-82.
- Oliver, R. L. (1997). *Satisfaction. A behavioral perspective on the consumer*. New York: McGraw-Hill Inc.
- Oliver, R. L. (1999). Whence customer loyalty. *Journal of Marketing*, 63(Special Issue 1999), 33-44.
- PP Nomor 29/1999
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1991). Refinement and reassessment of the SERVQUAL scale. *Journal of Retailing*, 67(4), 420-450.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1994). Reassessment of expectations as a comparison standard in measuring service quality: implications for further research. *Journal of Marketing*, 58(Januari 1994), 111-124.

- Ping, R. A. (1993). The effects of satisfaction and structural constraints on retailer exiting, voice, loyalty, opportunism and neglect. *Journal of Retailing*, 69(3), 320-353.
- Ping, R. A. (2007). Salesperson-employer relationships: salesperson responses to relationship problems and their antecedents. *Journal of Personal Selling & Sales Management*, 27(1), 39-57.
- Prasetyantoko, A. (2011). Saatnya pembatasan kepemilikan asing di perbankan. Retrieved 28 December, 2012, from <http://www.indonesiainancetoday.com/read/8482/Saatnya-Pembatasan-Kepemilikan-Asing-di-Perbankan>
- Pritchard, M. P., Havitz, M. E., & Howard, D. R. (1999). Analyzing the commitment-loyalty link in service contexts. *Journal of the Academy of Marketing Science*, 27(3), 333-348.
- Rauyruen, P., & Miller, K. E. (2007). Relationship quality as a predictor of B2B customer loyalty. *Journal of Business Research* 60, 21-31.
- Reichheld, F. F. (1993). Loyalty-based management. *Harvard Business Review*, March-April, 64-73.
- Reichheld, F. F., & Sasser, W. E. (1990). Zero defections: quality comes to services. *Harvard Business Review*, September-October, 105-112.
- Rhatigan, D. L., & Axsom, D. K. (2006). Using the Investment Model to understand battered women's commitment to abusive relationships. *Journal of Family Violence*, 21(2), 153-162.
- Riley, F. D. O., Ehrenberg, A. S. C., Castleberry, S. B., Barwise, T. P., & Barnard, N. R. (1997). The variability of attitudinal repeat-rates. *International Journal of Research in Marketing*, 14, 437-450.
- Rosalina, D., & Himawan, A. (2014). Dana tanpa jaminan LPS mendominasi bank. Retrieved 24th July, 2014, from <http://keuangan.kontan.co.id/news/dana-tanpa-jaminan-lps-mendominasi-bank>
- Rosenberg, L. J., & Czepiel, J. A. (1983). A marketing approach for customer retention. *Journal of Consumer Marketing*, 2, 45-51.
- Rusbult, C. E. (1980a). Commitment and satisfaction in romantic associations: A test of the Investment Model. *Journal of Experimental Social Psychology*, 16, 172-186.
- Rusbult, C. E. (1980b). Satisfaction and commitment in friendships. *Representative Research in Social Psychology*, 11(2), 96-105.

- Rusbult, C. E., Zembrodt, I.M., & Gunn, L. K. (1982). Exit, voice, loyalty, and neglect: responses to dissatisfaction in romantic involvements. *Journal of Personality and Social Psychology*, 43(6), 1230-1242.
- Rusbult, C. E. (1983). A longitudinal test of the Investment Model: the development (and deterioration) of satisfaction and commitment in heterosexual involvements. *Journal of Personality and Social Psychology*, 45(1), 101-117.
- Rusbult, C. E., & Farrell, D. (1983). A longitudinal test of the Investment Model: the impact on jobs, job commitment, and turnover of variations in reward, costs, alternative, and investments. *Journal of Applied Psychology*, 68(3), 429-438.
- Rusbult, C. E., Johnson, D. J., & Morrow, G. D. (1986). Predicting satisfaction and commitment in adult romantic involvements: an assessment of the generalizability of the Investment Model. *Social Psychology Quarterly*, 49(1), 81-89.
- Rusbult, C. E., Farrell, D., Rogers, G., and Mainous III, A. G. (1988). Impact of exchange variables on exit, voice, loyalty, and neglect: an integrating model of responses to declining job satisfaction, *Academy of Management Journal*, 31(3), 599-627.
- Rusbult, C. E. (1988). Commitment and satisfaction in romantic associations: a test of the Investment Model. *Journal of Experimental Social Psychology*, 16, 172-186.
- Rusbult, C. E., Verette, J., Whitney, G. A., Slovik, L. F., & Lipkus, I. (1991). Accommodation processes in close relationships: theory and preliminary empirical evidence. *Journal of Personality and Social Psychology*, 60, 53-78.
- Rusbult, C. E., & Buunk, B. P. (1993). Commitment processes in close relationships: an interdependence analysis. *Journal of Social and Personal Relationships*, 10, 175-204.
- Rusbult, C. E., Martz, J. M., & Agnew, C. R. (1998). The investment mode scale: measuring commitment level, satisfaction level, quality of alternatives, and investment size. *Personal relationships*, 5, 357-391.
- Rust, R. T., & Zahorik, A. J. (1993). Customer satisfaction, customer retention, and market share. *Journal of Retailing*, 69(2), 193-215.
- Schreiber, James B., Stage, Frances K., King, Jamie., Nora, Amaury., & Barlow, Elizabeth A. (2006). Reporting structural equation modeling and confirmatory factor analysis results: a review. *The Journal of Educational Research*, 99(6), 323-337.
- Sekaran, Uma, & Bougie, Robert. (2010). *Research methods for business: a skill building approach* (fifth edition). Chichester: John Wiley & Sons Ltd.

- Setiawati, D. (2013). Hadiah langsung agar nasabah setia. Retrieved 24th July, 2014, from <http://www.infobanknews.com/2013/03/hadiah-langsung-agar-nasabah-setia/>
- Sheth, J. N., & Mittal, B. (2004). *Customer behavior: a managerial perspective*. Ohio: Thomson, South-Western.
- Siswanto, J., & Wihardja, M. M. (2012). Debate over ASEAN banking integration. Retrieved 28th December, 2012, from <http://www2.thejakartapost.com/news/2012/06/04/debate-over-asean-banking-integration.html>
- Statistics Department of the IMF. (2011). Financial access survey. Retrieved 28th December, 2012, from <http://fas.imf.org/>
- Sung, Y., & Campbell, W. K. (2009). Brand commitment in consumer-brand relationships: an Investment Model approach. *Journal of Brand Management*, 17(2), 97-113.
- Sung, Y., & Choi, S. M. (2010). "I won't leave you although you disappoint me": the interplay between satisfaction, investment, and alternatives in determining consumer-brand relationship commitment. *Psychology & Marketing*, 27(11), 1050-1074.
- Syafrizal, Nabsiah, A. W., & Ismail, I. (2012). *Retail banking and customer relationship quality issues in Indonesia*. Paper presented at the International Congress on Interdisciplinary Business and Social Science
- Tempo Online. (1997). Dari pakto 88 sampai likuidasi 16 bank. Retrieved 28th December, 2012, from <http://www.tempo.co.id/ang/min/02/36/utama3.htm>
- The Indonesia Central Bureau of Statistics. (2014). Pertumbuhan ekonomi Indonesia triwulan I – 2014. *Berita Resmi Statistik No. 36/05/Th. XVII*. Jakarta: Biro Pusat Statistik.
- Tseng, Y. M. (2005). How can marketing tactics build behavioral loyalty? *The Business Review, Cambridge*, 3(2), 298-302.
- Uncles, M. D., Dowling, G. R., & Hammond, K. (2003). Customer loyalty and customer loyalty programs. *Journal of Consumer Marketing*, 20(4), 294-316.
- UU No. 7 Tahun 1992
- UU No. 10 Tahun 1998
- Veloutsou, C., Daskou, S., & Daskou, A. (2004). Are the determinants of bank loyalty brand specific? *Journal of Financial Services Marketing*, 9(2), 113-126.

- Wijanto, Setyo Hari. (2008). *Structural equation modelling dengan LISREL 8.8*. Yogyakarta: Graha Ilmu.
- Wiyanto. (2013). Didominasi perbankan: YLKI terima 620 pengaduan konsumen. Retrieved 22nd Feb, 2013, from <http://ekonomi.inilah.com/read/detail/1950403/ylki-terima-620-pengaduan-konsumen#.UWo-rqNmOSo>
- Yoga, Paulus. (2013a). Empat bank besar dominasi mesin ATM di tanah air. Retrieved 22nd Feb, 2014, from <http://www.infobanknews.com/2013/08/empat-bank-besar-dominasi-mesin-atm-di-tanah-air/>.
- Yoga, Paulus. (2013b). Kembali gelar untung beliung, BRI incar tambahan DPK Rp 10 triliun. Retrieved 27th July, 2014, from <http://www.infobanknews.com/2013/08/kembali-gelar-untung-beliung-bri-incar-tambahan-dpk-rp10-triliun/>.
- Zeithaml, Valarie A., Berry, Leonard L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(April 1996), 31-46.