

ABSTRACT

THE EFFECT OF SERVICE QUALITY AND ISLAMIC BUSINESS ETHICS ON CUSTOMER LOYALTY AT THE CIANJUR BRANCH OF AN INDONESIAN SHARIA BANK

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This study examines the influence of service quality and Islamic business ethics on customer loyalty at the Cianjur branch of Bank Syariah Indonesia. Loyalty is a concept in the business world that reflects the level of customer satisfaction and commitment to a particular brand or company. Based on the author's observations, some customers stated that products offered by Islamic banks are not significantly different from those of conventional banks, but service fees tend to be higher. Other issues include the relatively limited number of BSI ATMs and frequent problems with mobile banking.

The objective of this study is to analyze the variables that influence customer loyalty toward Bank Syariah Indonesia by addressing the following research questions: How does service quality partially influence customer loyalty? How does Islamic business ethics partially influence customer loyalty? And how do these two variables simultaneously influence customer loyalty?

According to Fandy Tjiptono's theory, service quality is a measure of how well the level of service provided meets customer expectations. The better the service quality, the higher the customer loyalty to that product or service. In this study, three types of relationships will be analyzed: the partial effect of service quality on customer loyalty, the partial effect of Islamic business ethics on customer loyalty, and the simultaneous effect of service quality and Islamic business ethics on customer loyalty.

This study employs an explanatory quantitative research method with a sample of 100 respondents, all of whom are customers of Bank Syariah Indonesia. Data collection was conducted via a questionnaire distributed through Google Forms, and variables were measured using a Likert scale. The research variables include service quality (X1) and Islamic business ethics (X2) as independent variables, and customer loyalty (Y) as the dependent variable.

The results of the study show that the service quality variable has a significant and positive partial effect on customer loyalty, with a coefficient value of 0.205. Meanwhile, Islamic business ethics do not show a significant partial effect on customer loyalty, with a coefficient value of 0.056. However, service quality and Islamic business ethics simultaneously have a significant effect on customer loyalty. This indicates that although Islamic business ethics may not directly influence customer loyalty when considered individually.

Keywords: Service quality, Islamic business ethics, Customer loyalty