

Customer Decision Factors to Choose Kredit Usaha Rakyat (KUR) Based on Company Image and Service Quality Mediated with Customer Trust in PT. Bank Negara Indonesia (PERSERO) TBK. Banyuwangi Branch Office

Catur Nanda Puspita Sari¹, Raden Andi Sularso², Bambang Irawan³
^{1,2,3}(Faculty of Economics and Business, Jember University, Indonesia)

ABSTRACT : This research objective was to know The Customer Decision Factors to choose Kredit Usaha Rakyat (KUR) based on Company Image and The Service Quality mediated with Customer Trust in PT. Bank Negara Indonesia (Persero) Tbk. Banyuwangi Branch Office. This research used Explanatory Research Method. The population in this research were all the customer of Kredit Usaha Rakyat (KUR) PT. Bank Negara Indonesia (Persero) Tbk. Banyuwangi Branch Office on 31st December 2023, the total is 3.633 customers. Researchers used the Simple Random Sampling Method or Random Sampling. The determination of the sample size used by the author in this research is based on the Slovin Method as a measuring tool for calculating sample size so that research can be made easier. The number of research samples was determined using the Slovin Formula with $\alpha = 10\%$. This study used 200 respondents to avoid answers to the questionnaire that had been distributed to respondents not being as expected. The data analysis method used Structural Equation Modeling (SEM) with the SmartPLS Application. The research results showed that Company Image influences Customer Trust. Service Quality influenced Customer Trust. Company Image influenced Customer Decisions. Service Quality influences Customer Decisions. Customer Trust influences Customer Decisions. Customer Trust mediated the influenced of Company Image on Customer Decisions. Customer Trust mediated the influence of Service Quality on Customer Decision.

KEYWORDS : Company Image and Service Quality, Customer Trust, Customers Decision.

I. INTRODUCTION

Regulation of the Coordinating Minister for Economic Affairs of the Republic of Indonesia Number 1 of 2023 concerning Amendments to Kredit Usaha Rakyat (KUR) where government intervention in the form of interest subsidies is allocated annually in the AnggaranPendapatan&Belanja Negara (APBN) while the risk of bad credit or Non-Performing Loans (NPL) is borne and handled by the Bank and/or Channeling Institution themselves. For the first time in 2016 it was established Kredit Usaha Rakyat (KUR) interest rate of 9.00% p.a. and applies to all Banks and/or Kredit Usaha Rakyat (KUR) Distributing Institutions. The Kredit Usaha Rakyat (KUR) interest rate itself has undergone several adjustments, where in 2018 it fell to 7.00% p.a. and fell again to 6.00% p.a. in 2020 (Priyatna et al., 2023). One of the factors that drives customers' decisions to choose Kredit Usaha Rakyat (KUR) is the company's image. Manik et al (2022) argued that company image is the consumer's response to the overall offerings provided by the company and is defined as several consumer beliefs and impressions of a company. A strong corporate image can provide major advantages for Banks, one of which can create competitive advantages. Companies today must understand the importance of paying sufficient attention to building a favorable image for a company, not just by avoiding the formation of a negative impression created by the public.

The next factor that drives customers' decisions to choose Kredit Usaha Rakyat (KUR) is service quality. Service quality by Yulianti et al (2019) is defined as fulfilling customer needs and desires. Customer trust is one of the factors that drives customers' decisions to choose Kredit Usaha Rakyat (KUR). Confidence in the accuracy of delivery to match customer expectations. Good service will influence customers decisions and the results obtained by the Bank. Good service quality is very important in creating consumer satisfaction, especially in terms of direct evidence, reliability, responsiveness, guarantee, and four acts as a foundation in any business transaction because business transactions between two or more parties will occur if each party trusts each other. According to Arif & Putri (2020), customer trust can be interpreted as a willingness to rely on the ability, integrity and motivation of other parties to act in order to satisfy the customer's needs and interests as

mutually agreed implicitly or explicitly. Customer trust is formed from a long process. If a sense of trust has been formed between the Bank and the customer, it is very easy to establish a cooperative relationship.

A customer's decision is an action that chooses one alternative from a series of existing alternatives. Selection of two or more alternative decision options is the process of deciding to take one of the available alternatives. Decisions by consumers reflect a decisive reaction for the company. Companies need to know the factors that influence consumer decisions to maintain their existence. The decision-making process by consumers can be carried out by looking at various factors such as product, price, promotion, place, person / service provider, process, and physical evidence (Saputro&Setyaningrum, 2023). PT. Bank Negara Indonesia (Persero) Tbk. Banyuwangi Branch Office is one of the Banks appointed as a Kredit Usaha Rakyat (KUR) distributor. Otoritas Jasa Keuangan (OJK) officially appointed 35 Banks and/or Financial Institutions to distribute Kredit Usaha Rakyat (KUR). The realization of Kredit Usaha Rakyat (KUR) PT. Bank Negara Indonesia (Persero) Tbk. Banyuwangi Branch Office in 2023 shows that 100% of the targets that have been set have not been achieved. This shows that there are problems related to Kredit Usaha Rakyat (KUR) distribution to third parties.

II. THEORITICAL REVIEW

2.1 Company Image

Company image is important for a service. Every company has an image that is consciously or unconsciously attached to the company. Not a few goods or services produced by companies have a very strong image in the minds of their consumers. Company image is seen as the company's character. Company image is one of the most important elements in building a company. The company certainly hopes to have a positive image, be accepted and known by the public. To maintain a stable company image, the company's goals must be achieved in accordance with the determined vision and mission.

2.2 Service Quality

Service quality is the expected level of excellence and control over excellence to fulfill customer desires. Rachmat et al (2022) explained that service quality focuses on efforts to fulfill customer needs and desires as well as accuracy delivery to match customer expectations.

2.3 Customer Trust

Customer trust are descriptive thoughts held by someone about something. Customer trust is an important factor in building a relationship and the foundation for a company, customer trust is a way to create satisfaction and loyalty. The company itself is always careful in maintaining customer trust so that consumers are not disappointed.

2.4 Customer Decision

According to Manik et al (2022), customer decisions are defined as a process where consumers recognize the problem, look for information about a particular product or brand. Decision making is a process that combines emotions, thoughts, information processes and evaluative judgments.

2.5 Previous Research

Research by Arif & Putri (2020) showed that Company Image influenced Customer Trust and Customer Decisions. Research by Saputro&Setyaningrum (2023) showed that Company Image influenced Customer Trust and Customer Decisions. Research by Umar et al (2023) showed that Company Image influenced Customer Trust and Customer Decisions. Putri & Fauzi (2023) showed that Company Image had no effect on Customer Trust and Customer Decisions.

III. METHOD

This research used the Explanatory Research Type. The population in this study were all customers of Kredit Usaha Rakyat (KUR) PT. Bank Negara Indonesia (Persero) Tbk. Banyuwangi Branch Office data as of 31st December 2023 had 3,633 customers. Researchers used the Simple Random Sampling Method or Random Sampling. The determination of the sample size used by the author in this research is based on the Slovin Method as a measuring tool for calculating sample size so that research can be made easier. The number of research samples was determined using the Slovin Formula with $\alpha = 10\%$. This study used 200 respondents to avoid answers to the questionnaire that had been distributed to respondents not being as expected. The data analysis method used Structural Equation Modeling (SEM) with the SmartPLS application.

IV. DISCUSSION

4.1 The Influence of Company Image on Customer Trust

The results of the hypothesis test showed that Company Image influenced Customer Trust by looking at the significance level, which is 0.000. The influence shown by the regression coefficient is positive, meaning that the better the Company Image, the more Customer Trust will increase (H1 is Accepted). The results of this research were in line with research conducted by Arif & Putri (2020) showed that Company Image influenced Customer Trust. Research by Saputro&Setyaningrum (2023) showed that Company Image influenced Customer Trust. Research by Umar et al (2023) showed that Company Image influenced Customer Trust.

4.2 The Influence of Service Quality on Customer Trust

The results of the hypothesis test showed that Service Quality influenced Customer Trust by looking at the significance level, which is 0.000. The influence shown by the regression coefficient is positive, meaning that the better the Service Quality, the more Customer Trust will increase (H2 is Accepted). The results of this research were in line with research conducted by Sitinjak et al (2023) showed that Service Quality influenced Customer Trust. Research by Uripto& Lestari (2023) showed that Service Quality influenced Customer Trust. Research by Priyatna et al (2023) showed that Service Quality influenced Customer Trust.

4.3 The Influence of Company Image on Customer Decisions

Hypothesis test results showed that Company Image influenced Customer Decisions by viewing the significance level is 0.019. The influence shown by the regression coefficient is positive, meaning that the better the Company Image, the more Customer Decisions will increase (H3 is Accepted). The results of this research were in line with research conducted by Arif & Putri (2020) showed that Company Image influenced Customer Decisions. Research by Saputro&Setyaningrum (2023) showed that Company Image influenced Customer Decisions. Research by Umar et al (2023) showed that Company Image influenced Customer Decisions.

4.4 The Influence of Service Quality on Customer Decisions

The results of the hypothesis test showed that Service Quality influenced Customer Decisions by looking at the significance level, which is 0.000. The influence shown by the regression coefficient is positive, meaning that the better the Service Quality, the more Customer Decisions will increase (H4 is Accepted). The results of this research are in line with research conducted by Sitinjak et al (2023) showing that Service Quality influenced Customer Decisions. Research by Uripto& Lestari (2023) shows that Service Quality influenced Customer Decisions. Research by Priyatna et al (2023) showed that Service Quality influenced Customer Decisions.

4.5 The Influence of Customer Trust on Customer Decisions

The results of the hypothesis test showed that Customer Trust influences Customer Decisions by looking at the significance level, which is 0.000. The influence shown by the regression coefficient is positive, meaning that the better the Customer Trust, the more Customer Decisions will increase (H5 is Accepted). The results of this research are in line with research conducted by Rahmat Rahayu et al (2023) showed that Customer Trust influenced Customer Decisions. Ratnasari et al (2023) research showed that Customer Trust influenced Customer Decisions. Nurmalita Sari et al (2022) research showed that Customer Trust influenced Customer Decisions.

4.6 Conceptual Framework

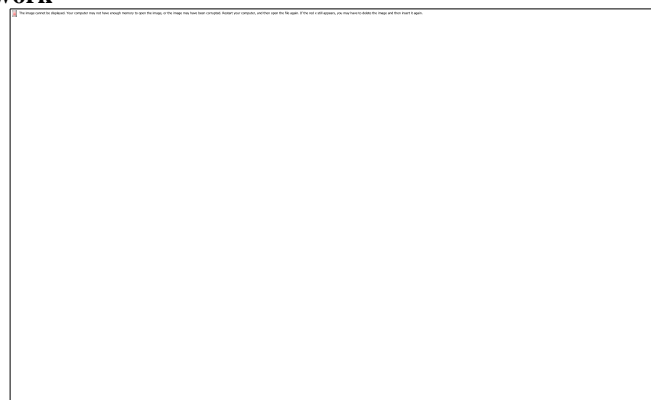


Figure 1. Conceptual Framework

Information:

- : Direct Influence
- - - - - ► : Indirect Influence

V. CONCLUSION

Based on the research results, it showed that 1) Company Image influenced Customer Trust. 2) Service Quality influenced Customer Trust. 3) Company Image influenced Customer Decisions. 4) Service Quality influenced Customer Decisions. 5) Customer Trust influenced Customer Decisions. 6) Customer Trust mediated the influence of Company Image on Customer Decisions. 7) Customer Trust mediated the influence of Service Quality on Customer Decisions.

VI. ACKNOWLEDGEMENTS

This paper was written to fulfill my requirements for completing a master's program, I would like to thank the individuals and organizations dedicated to helping me during this phase. This achievement would not have been possible without their support and assistance. I would like to thank the Faculty of Economics and Business, Jember University for accepting me into the master's program. I also want to thank Prof. Dr. Raden Andi Sularso, M.S.M and Dr. Bambang Irawan, M.Si. for encouragement, inspiring ideas, suggestions, critical comments, and professional guidance.

REFERENCES

- [1]. Arif, M., & Putri, A. N. (2020). The Influence of Company Image and Trust and Word Of Mouth on Purchasing Decisions of Postal Express Services. In *International Journal of Economic, Technology and Social Sciences* (Vol. 1).
- [2]. Firli Musfar, T. (2020). Buku Ajar Manajemen Pemasaran : Bauran Pemasaran sebagai Materi Pokok dalam Manajemen Pemasaran. In *Media Sains Indonesia*.
- [3]. Halim, F. et all. (2021). Manajemen Pemasaran Jasa. In *Yayasan Kita Menulis*.
- [4]. Hasibuan, A. D. R., Lubis, A. N., & Gultom, P. (2023). the Effect of Price Perception and Trust on Canako Rice Box Purchase Decision Through Customer Satisfaction As Intervening Variables. *Journal of Proceedings*, 3, 66–70.
- [5]. Ivan. (2022). The Influence of Service Quality, Store Atmosphere, and Location Attractiveness on Purchase Decisions at Dapur Kita Minimarket in Pontianak. *Proceeding 1st Tanjungpura International Conference On Management, Economics And Accounting (TiCMEA)*, 1.
- [6]. Jatmiko, Anggarani, A., & Sudarwan. (2020). Buku Ajar Manajemen Pemasaran. In *Universitas Esa Unggul*.
- [7]. Manik, E., Suryawardani, B., Oktafani, F., Sari, D. A. P., Widiyawati, W., Pidola, V. A., Susiyanto, S., Zulfikar, M., & Febrianty, F. (2022). Manajemen Pemasaran Kontemporer (Teori Dan Praktis). In *Cv Widina Media Utama*.
- [8]. Nurmaliita Sari, Sudarmiatin, & Titis Shinta Dhewi. (2022). The Influence of Product Quality, Brand Image on Purchase Decisions and Brand Trust as Mediation Variables (Study on iPhone Users in Malang City). *International Journal Of Humanities Education and Social Sciences (IJHESS)*, 2(1). <https://doi.org/10.55227/ijhess.v2i1.219>
- [9]. Priyatna, I. K., Marsudi, M., & Rahadjeng, E. R. (2023). The Effect of Service Quality and Price on Purchasing Decision of Telkomsel Internet Services In Indonesia. *Jamanika (Jurnal Manajemen Bisnis Dan Kewirausahaan)*, 3(01). <https://doi.org/10.22219/jamanika.v3i01.25454>
- [10]. Putri, C. N., & Fauzi, T. H. (2023). The Effect of E-WOM and Brand Image on Purchasing Decisions of Automotive Products: Mediating Role of Brand Trust. *Jurnal Aplikasi Bisnis Dan Manajemen*, 9(3), 843–854. <https://doi.org/10.17358/jabm.9.3.843>
- [11]. Rachmat, Z., Harto, B., Fauzan, R., Sujana, Syarifudin, U., Kusnadi, I. H., Sudirjo, F., Murdana, I. M., Roza, T. A., Pasaribu, J. S., & Zulfikar, M. (2022). Manajemen Pemasaran Perusahaan. In *PT. Global Eksekutif Teknologi* (Issue February).
- [12]. Rahayu, S., Limakrisna, N., & Horas V. Purba, J. (2023). The Influence Of Brand Image, Online Service Quality , And Of Use On Purchase Decisions On With Trust As A Mediation Variable. *International Journal of Science, Technology & Management*, 4(3). <https://doi.org/10.46729/ijstm.v4i3.801>
- [13]. Ratnasari, R., Hermawan, A., & Winarno, A. (2023). The Influence of Celebrity Endorser, Brand Image and Service Quality on Purchase Decision in Tokopedia with Consumer Trust as Intervening Variables. *Journal of Applied Business, Taxation and Economics Research*, 2(6). <https://doi.org/10.54408/jabter.v2i6.199>
- [14]. Sabar, N., Nirwana, T., & Riduan, T. (2021). Manajemen Pemasaran Pendekatan Praktis dengan Teori-Teori Para Ahli. In *Pendekatan Praktis dengan Teori-Teori Para Ahli* (Vol. 2).
- [15]. Saputro, E. P., & Setyaningrum, D. P. (2023). The Impact of Brand on Purchasing Decisions. *Journal of Supply Chain Management*, 3(1).
- [16]. Satriadi, Wanawir, Hendrayani, E., Siwiyanti, L., & Nursaidah. (2021). Manajemen Pemasaran. In

- Samudra Biru.*
- [17]. Sitinjak, T. J. R., Sitinjak, T., Rakhman, A., & Suryawan, M. T. D. (2023). The Influence of Service Quality, Brand Trust, and Advertising on the Purchase Decision during the Covid-19 Pandemic. *International Journal of Social Science and Business*, 7(4), 1042–1049. <https://doi.org/10.23887/ijssb.v7i4.58135>
- [18]. Umar, M., Edyansyah, T., Zulkarnaen, T., & Biby, S. (2023). the Influence of Product Quality , Promotion , Brand Image , and Brand Trust Towards Purchase Decisions of Mitsubishi Xpander Car Among the Community in Lhokseumawe City. *International Management Conference and Progressive Paper*, 1(1), 172–185.
- [19]. Uripto, C., & Lestari, R. (2023). The Influence of Promotion, Brand Image and Product Quality on Purchasing Decisions Through Consumer Trust in Bata Brand Shoe Outlets Mall Cibubur Junction East Jakarta. *JMKSP (Jurnal Manajemen, Kepemimpinan, Dan Supervisi Pendidikan)*, 8(2), 1310–1324. <https://doi.org/10.31851/jmksp.v8i2.13115>
- [20]. Yulianti, F., Lamsah, & Periyadi. (2019). Manajemen Pemasaran. In *Deepublish* (Issue 1).