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THE INFLUENCE OF DIGITAL BANKING SERVICES ON CUSTOMER SATISFACTION AT PT BANK PERMATA BANJARMASIN

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Abstract: This research aims to determine the effect of digital banking services on customer satisfaction at PT Bank Permata Banjarmasin. The method used in literature review research is traditional literature review. The article source comes from Google Scholar. There is a screening stage in selecting a journal which consists of 3 stages, namely screening 1 selecting paid and unpaid journals, screening 2 reviewing the title and abstract, screening 3 reviewing the background, methods, results and discussion.

The research results show that digital banking customers in North India are completely satisfied with the quality of services provided by digital banking. In addition, 'reliability' has the strongest risk factor impact on customer satisfaction, followed by 'tangibility' and 'responsiveness'. Reliability, tangibility, responsiveness and guarantee have a positive influence on customer satisfaction (P-value 0.05). The study also recommends that the regulatory body responsible for administering financial regulations in Malaysia should provide standard guidelines and encourage all banks in the country to properly implement digital service quality improvements. Banks should invest in DBC and develop it because DBC is a key determinant in increasing customer satisfaction through higher levels of adoption/diversification, improved service quality, and greater benefits.

Keywords: Customer behavior, product determination.



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Introduction

Very rapid progress in the field of information technology has had a major influence on various aspects of human life. The most obvious impact can be seen in fundamental changes to the way people conduct transactions, especially in the business world. One of the results of advances in information technology that has contributed greatly to this change is the internet (Limantara, 2021).

Successful development in the economic sector is something that must be fought for so that it can provide benefits to all levels of society. Having a stable financial system will certainly encourage economic growth, equal distribution of income, reduce poverty levels and achieve financial stability, as well as providing fast services to the community. Digital banking services are one of the strategies and service innovations carried out by the banking world to provide satisfaction to banking customers. The rapidly growing financial industry is not necessarily accompanied by adequate access to finance. A bank is a public trust institution that is used to store

money and entrust banks to manage their finances. As is known, banking is one sector that can help improve the Indonesian economy.

Banking increases Indonesia's growth with sources of income obtained by the banks themselves. Sources of bank income can be margins from banking interest, fee based income, etc. The current unstable and risky economic conditions will certainly have a big impact on banking. Moreover, the increasing development of technology is what triggers business changes due to increasingly rapid technological innovation.

If in the past technological innovation only focused on internal banking, now there has been a drastic change where technological innovation has now spread to the customer or consumer side. This shift has given rise to technology-based financial companies or what is better known as FinTech (Financial Technology). FinTech has mushroomed throughout the world, including Indonesia. However, there is a study stating that initially many people perceived that FinTech could replace the position of banks in the economic world, but currently with the presence of FinTech it has not been able to replace the position of banks, and in fact runs or operates side by side so that economic progress can be carried out together (Kholis, 2018). To anticipate FinTech developments, banks are required to change their business strategies.

The challenge facing banks today is bad experiences caused by customer reluctance. This also had an impact on banking where branch offices experienced massive closures. Sukmana (2019) stated that the banking industry is experiencing the phenomenon of branch office closures due to developments in the digitalization of banking services. In order to meet the needs of its customers in order to increase banking growth and finances, bank services are maximized through digital banking, where the millennial generation can now become the main preference for users of mobile banking, internet banking, ATMs, SMS banking, etc.

One of the banks that has transformed towards digitalization is Bank Permata. The digitalization trend in the banking world has important access as proven by almost 80 percent of transactions at Bank Permata being carried out online. Bank Permata has also provided all online features to make transactions easy for its customers. It was previously known that transactions via ATM were 70 percent, but now this figure has fallen to 17 percent compared to total transactions. Meanwhile, mobile banking users are known to have increased from 4.2 percent to 46.5 percent and internet banking users have also soared from 7.6 percent to 28.5 percent.

According to the results of research conducted by Baljinder Kaur (2021) on Digital Banking in Northern India: The Risks on Customer Satisfaction. The research results show that digital banking customers in North India are completely satisfied with the quality of services provided by digital banking. In addition, 'reliability' has the strongest risk factor impact on customer satisfaction, followed by 'tangibility' and 'responsiveness'.

Research conducted by Khattab Ibrahim Hadid (2020) on The Effect of Digital Banking Service Quality on Customer Satisfaction: A Case Study on the Malaysian Banks. The research results show that reliability, tangibility, responsiveness and guarantee have a positive influence on customer satisfaction (P-value 0.05). The study also recommends that the regulatory body responsible for administering financial regulations in Malaysia should provide standard guidelines and encourage all banks in the country to properly implement digital service quality improvements.

Research conducted by Atef Harb (2022) on Customer Satisfaction With Digital Banking Channels in Times of Uncertainty. The research results show that banks should invest in DBC and develop it because DBC is a key determining factor in increasing customer satisfaction through higher levels of adoption/diversification, improved service quality, and greater benefits

Methods

The method used in literature review research is traditional literature review. The article source comes from Google Scholar. There is a screening stage in selecting a journal which consists

of 3 stages, namely screening 1 selecting paid and unpaid journals, screening 2 reviewing the title and abstract, screening 3 reviewing the background, methods, results and discussion.

Data processing reviews articles related to factors related to customer behavior. Analysis focuses on similarities between cases (method of agreement) or differences in similar cases (method of difference). Calculation of average values using Microsoft Excel

Result and Discussion

Table 1. The influence of digital banking services on customer satisfaction

No	Researcher and year	Title	Research result
1	Baljinder Kaur (2021)	<i>Digital Banking in Northern India: The Risks on Customer Satisfaction.</i>	The research results show that digital banking customers in North India are completely satisfied with the quality of services provided by digital banking. In addition, 'reliability' has the strongest risk factor impact on customer satisfaction, followed by 'tangibility' and 'responsiveness'.
2	Khattab Ibrahim Hadid (2020)	<i>The Effect of Digital Banking Service Quality on Customer Satisfaction: A Case Study on the Malaysian Banks.</i>	The research results show that reliability, tangibility, responsiveness and guarantee have a positive influence on customer satisfaction (P-value 0.05). The study also recommends that the regulatory body responsible for administering financial regulations in Malaysia should provide standard guidelines and encourage all banks in the country to properly implement digital service quality improvements.
3	Atef Harb (2022)	<i>Customer Satisfaction With Digital Banking Channels in Times of Uncertainty.</i>	The research results show that banks should invest in DBC and develop it because DBC is a key determining factor in increasing customer satisfaction through higher levels of adoption/diversification, improved service quality, and greater benefits.

Source: Google Scholar, 2024

Discussion

Baljinder Kaur Research (2021)

The government also plays a role in assisting banks in increasing digital banking acceptance. To increase the level of acceptance of digital banking and to counter the level of consumer resistance, governments should establish specific policies regarding digital crimes and establish appropriate and clear arrangements for redressal or compensation for errors or complaints.

Our research is not without limitations. While the response rate to our survey is satisfactory, respondents still only cover a small portion of customers in India. For future research and discussions in the context of Indian customers' satisfaction with digital banking, it would be beneficial to attract more customers from other regions of India. In addition to this research, it would be very interesting to study what factors influence customer preferences in different

countries, for example the level of wealth of the country, religion, etc.

Despite these limitations, this paper provides unique analytical evidence on customer satisfaction in the context of the banking sector in the digital era by taking a practical view of the situation of banks in North India. Our findings have practical implications for risk managers, banking practitioners, policy makers, and marketing personnel. The SERVQUAL model can also be used in various regions and countries to help develop digital operations, systems and applications, which will ensure as much customer satisfaction and client retention as possible.

Research by K. Tharanika (2017)

This research examines the relationship between digital banking service quality and loyalty in Malaysia. This research is based on a quantitative questionnaire survey delivered to bank customers; for example Maybank, CIMB Bank, Muamalat Bank, RHB Bank, and Hong Leong Bank. The aim of this research is to analyze the impact of digital banking services on customer loyalty in various Malaysian banks that offer digital banking services. This study fills the gap in the literature survey as it addresses the issue of digital banking completely without creating evasion in Malaysia. Finally, the research contributions, and some other directions are analyzed. It is hoped that the findings from this research will increase existing knowledge about digital banking practices and their use by customers.

Atef Harb Research (2022)

The conclusions that can be drawn will be managerial implications that the results of this research can contribute to decision making on implementing digitalization in the banking sector. This may not be the only determining factor for bank managers and decision makers, but it can be a leading indicator, as the results of this study show the impact of showcasing the benefits of digital banking channels and improving their quality on customer satisfaction. This study also serves as a guide for executives at banks that have not yet implemented or developed existing digital banking channels

Conclusion

Based on the results of the research data above, the conclusions proposed are:

1. NDigital banking customers in North India are completely satisfied with the quality of services provided by digital banking. In addition, 'reliability' has the strongest risk factor impact on customer satisfaction, followed by 'tangibility' and 'responsiveness'.
2. Reliability, tangibility, responsiveness and guarantee have a positive influence on customer satisfaction (P-value 0.05). The study also recommends that the regulatory body responsible for administering financial regulations in Malaysia should provide standard guidelines and encourage all banks in the country to properly implement digital service quality improvements.
3. Banks should invest in DBC and develop it because DBC is a key determinant in increasing customer satisfaction through higher levels of adoption/diversification, improved service quality, and greater benefits

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