The Effect of Service Communication Process and Customer Service Officer Complaint Handling on Satisfaction and Loyalty (Literature Review Marketing Management)

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Abstract: Article Literature Review of the Effect of Service Communication Process and handling complaints of customer service officers on customer satisfaction and loyalty of PT Bank Rakyat Indonesia (Persero) is a scientific article aimed at building research hypotheses of influence between variables that will be used in further research, within the scope of marketing management science. This Literature Review Article Writing Method is the Research Library Method, sourced from online media such as Google Scholar, Mendeley, and other academic online media. The results of the article literature article are 1) the service communication process affects satisfaction; 2) Handling of Customer Service Officer complaints affects satisfaction; 3) the Service communication process affects customer loyalty; 4) Handling of Customer Service Officer complaints affects customer loyalty, and 5) satisfaction affects customer loyalty. In addition to these two exogenous variables that affect the endogenous variable of customer satisfaction and loyalty, there are still many other factors, including brand reputation variables, strategic locations, commitment, and trust.

Keywords: Satisfaction, Customer Loyalty, Service Communication Process, and Handling Customer Service Officer’s Complaints

INTRODUCTION

Increasing competition and rapidly developing technological advances make economic actors demand to be able to survive and move more advanced. What economic actors mean here is that the company where must maintain its existence amid a world of competition that is so complex and competitive. The financial sector, especially banking, was the most severely affected by the 1997 monetary crisis. In this case, several banks seem to be staggeringly facing the monetary crisis that hit Indonesia. An economic observer from the Center for Information and Development Studies (CIDES), Umar Juoro, said that the banks should be problematic. (Tempo, Edition 35/02 - 31/Oct/1997). As a result of the monetary crisis, 16 banks were liquidated by Bank Indonesia. (Tempo, Edition 37/02 -15/NOP/1997)
Many companies are out of business because they cannot compete with other companies in the same field. One of them is a company engaged in banking services. Banking service providers, both government and private, compete to make various products and provide facilities and pre-marks to facilitate customers in banking transactions. In addition, the banking service provider company also offers multiple transaction services that can be done anywhere and anytime. To support the success of marketing banking services, companies need skilled employees in their fields so they can understand and comprehend the wishes of customers. "The basic concept of this service is to provide optimal services to customers who produce customer satisfaction" (Barata, 2004). The service program to customers has become one of the main tools in implementing marketing strategies to win the competition. "Concern for customers in modern management has been developed into the best service pattern called excellent service or excellent service." (Barata, 2004)

Excellent service must be provided by all elements involved in a company or organization, for example, starting from cleaning service and security guards to the director. They all must be involved and want and able to provide services of the same quality. Each must support the other so the services provided by the company can give customer satisfaction optimally. (Kasmir, 2006) In practice, the leading service is given more to employees directly handling or directly related to customers, such as customer service, tellers, public relations, or security guards.

The purpose of the concept of customer service, customer care, and service excellence is that the essential thing in providing the best customer service must be oriented to customers' interests so that the company can provide optimal satisfaction. (Barata, 2004) Efforts to provide excellent servants can be realized if the company can highlight the ability, attitudes, appearance, attention, actions, and excellent and coordinated responsibilities. This article discusses the effect of the service communication process and handling of customer service officers on satisfaction and its impact on customer loyalty (a marketing management literature study).

Based on the background, it can be formulated the problems that will be discussed to build hypotheses for further research, namely:
1. Does the service communication process affect satisfaction?
2. Does the handling of customer service officer complaints affect satisfaction?
3. Does the service communication process affect customer loyalty?
4. Does the handling of customer service officer complaints affect customer loyalty?
5. Does satisfaction affect customer loyalty?

**THEORETICAL REVIEW**

**Satisfaction**

Customer satisfaction is a feeling of liking or disliking someone for a product after comparing the product's performance with what is expected. (Kotler, 2016) While Kotler (1997) states that customer satisfaction is the state of a person’s feeling, which is the result of a comparison between the performance appraisal/ the final product with the customer's expectations, and they can convey what and how they need.

Bahrudin, M., and Zuhro, S. (2016) stated that customer satisfaction is an evaluation of choices caused by certain purchase decisions and experience in using or consuming goods or services. The customer satisfaction dimension used is, in the opinion of Kotler and Armstrong (2012) state that the customer satisfaction dimension includes the performance expected by customers and customer expectations; if the performance is below expectations, customers are not satisfied.

According to Kotler et al. (1996), there are four indicators to measure customer satisfaction. The indicators used to measure customer satisfaction with a product are
complaints and suggestions, ghost shopping, former customer analysis, and customer satisfaction survey. Quality products or services have an essential role in shaping customer satisfaction. The more quality the product or service provides, the higher the satisfaction felt by the customer. If customer satisfaction is higher, it can cause benefits for the company. The negative impact of dissatisfied customers is the spread of negative testimonials to other target markets. For example, the emergence of utas contains complaints through social media such as Twitter, Instagram, Facebook, etc., regarding their dissatisfaction while accessing business.


Customer Loyalty

Foster and Cadogan (2000) define customer loyalty as the customer’s attitude in determining his choice to continue to use the product or service of a company. The attitude of determining the choice is committing and repurchasing at the company. Building customer loyalty is a strategic policy for the company. Because banking companies view customer loyalty as part of the company’s strategy in dealing with competitors and connecting companies with markets (consumers). Customer loyalty is needed as an element in a competitive marketing strategy. Specifically, in dealing with increasingly competitive market conditions, companies often rely their future on customer loyalty.

Consumer loyalty is a ticket to success in all businesses. The parties categorized as loyal customers are delighted with certain products, so they are enthusiastic about introducing them to anyone they know. Furthermore, in the next stage, the loyal customers will expand their "loyalty" to other products made by the same manufacturer. Ultimately, they are consumers who are loyal to certain producers forever. (Siat, 1997)

According to Kotler (2005: 18), customer loyalty is a repeat purchase made by a customer/customer because of a commitment to a brand or company. Many factors influence a consumer to be loyal, including price factors; Someone will undoubtedly choose a company or brand that, according to him, provides the lowest alternative price among existing options. In addition, there is also a habit factor, someone is accustomed to using a particular brand or company, so the possibility of moving to other choices will be slighter.

Understanding of a loyal customer, according to Griffin (1995: 31), is "A loyal customer makes regular repeat purchases, purchase across products and service lines, refers others and demonstrates an immunity to the pull of the competition." This means that loyal customers are customers who have characteristics, among others, making repeated purchases on the same business entity, buying product lines and services offered by the same business entity, notifying others about the satisfaction obtained from the business entity, and showing immunity to offers from competitors/competitors business entities.

This customer loyalty has been widely examined by previous researchers, including (Tjiptono, 2011), (Robby, 2017), (Rinanda, 2003), (Firmansyah & Ali, 2019), (Hafat & Ali, 2022), (Nugroho & Ali, 2022), (Pitri et al., 2022), (Faisal et al., 2021), (Ali et al., 2020).

Service Communication Process

Communication comes from the Latin communis, which means the same. Communio, communication, or communicare, which means make to common. Communication can be interpreted as the process of sending and receiving information or messages between two or more people effectively so that the message in question can be understood. According to Hermawan (2012), communication is a process of delivering information in the form of messages, ideas, and ideas from one party to the other so that there is a mutual influence
between the two. In general, communication is carried out verbally that can be understood; there is nonverbal language, such as body movements, and certain attitudes, such as smiles, shaking your head or shrugging. Therefore communication depends on our ability to understand one another and adjust to the party invited to communicate.

According to Shimp (2003), communication is a process where thought and understanding are conveyed between individuals or between organizations and individuals. According to James A.F Stoner in Widjaja (1986), communication is a process in which a person tries to give an understanding by transferring messages. According to Bovee and Thill in Purwanto (2011), the communication process consists of six stages: 1. The sender has an idea or idea 2. The sender changes the idea into a message 3. The sender conveys the message 4. The recipient receives the message 5. The recipient interprets the message 6. The recipient gives a response and sends feedback to the sender.

According to Arianto (2018), the quality-of-service quality can be interpreted as a focus on meeting the needs and requirements, as well as on the timeliness to meet customer expectations. Service quality applies to all types of services the company provides when the client is in the company.

The communication process of this service has been widely examined by previous researchers, including (Mulyana, 2010), (Wijaya, 2017), (Larry A. Samovar and Richard E. Porter, 1991), (Hernikasari et al., 2022), (Ali et al., 2016), (Ilhamalimy & Ali, 2021).

Handling Customer Service Officer Complaints

A Customer Service Officer (CSO) is an officer or employee who is deliberately formed to serve customers in the financial industry, such as banking, insurance, or leasing (Kasmir, 2005). In general, Customer Service can be interpreted as a service to customers; this term is developed by several organizations concerned with the problem of providing sustainable services so that customers do not switch to competitors, especially services with a connection in the form of services by payment regularly. Customer service includes various activities in all business areas that seek to combine the company with customer satisfaction ranging from marketing and processing to providing services through communication to strengthen cooperation with customers, the aim of which is to obtain profits and loyalty.

Along with the passage of a company, customer service must have good ethics to maintain the company’s positive image. In Soemirat and Elvinaro (2005), the understanding of ethics is a moral philosophy that shows how a person must act. In the narrow sense, etiquette is often referred to as ethics in Kasmir (2005), meaning the procedures relate to other humans, whereas in a broader sense, ethics means regulating human behavior in society.

Winning competition strategies in the service business through excellent service tips is not enough to do a quick administrative process, but "how" treats customers, which can show how we can manage to serve well and foster a positive impression of the customer. (Ruslan, 2006). Efforts to provide quality services (excellent service) are closely related to developing effective communication from within and outside of the company.

Rosady Ruslan (2006) also argues that to reach the level of excellent service, the company must have employees with a certain level of skills, reliability, neat and good performance, be friendly and able to communicate and create a good relationship. All of that can be done by showing passion for work and high work ethic, and an attitude that is always ready to provide the best service to its customers.

The function of providing excellent service to customers, according to Ruslan (2002), is how to improve the ability of the company's personnel to foster dedication and provide the best service to the customer so that it is expected to be able to maintain loyalty or trust of the customer to continue to use goods products or The company's services offered without
glancing at other products. The longer a customer's loyalty, the greater the profit the company can obtain from one of these customers.

Service of excellence is related to services carried out by the company to provide a sense of satisfaction and foster customer trust. (Ruslan, 2006) The service also makes the customer feel he is essential, noticeable, and naturally considered. Excellent customer service will undoubtedly provide quite positive benefits for the company's reputation. In a service company, customer satisfaction is the main thing that is realized by providing excellent customer service. The company's inability to meet customer satisfaction will affect its reputation. Which is the cause of the not fulfilling the expectations of customers in Tjiptono (2001) among them is the customer mistakenly communicating the desired services; poor service company employee performance; miscommunication of providing services by competitors; miscommunication mouth to mouth recommendations; customers mistakenly interpreting signals (prices, positioning, etc.).

Handling of Customer Service Officer complaints has been widely examined by previous researchers, including (Tjiptono, 2001), (Rangkuti, 2002), (Barata, 2004), (Gusfa et al., 2017), (Subronto et al., 2021), (Fardinal et al., 2022), (Haitao & Ali, 2022).

### Table 1: Previous relevant research

<table>
<thead>
<tr>
<th>No</th>
<th>Author (Year)</th>
<th>Previous research results</th>
<th>Equality with this article</th>
<th>The difference with this article</th>
</tr>
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<tbody>
<tr>
<td>3</td>
<td>Fida, B. A., Ahmed, U., Al-Balushi, Y., &amp; Singh, D (2020)</td>
<td>The influence of service quality on customer loyalty and customer satisfaction in sharia commercial banks</td>
<td>The correlation results illustrate the significant relationship between the three variables: service quality, customer satisfaction, and customer loyalty.</td>
<td>The regression results show that the dimensions of empathy and responsiveness have a significant positive impact on customer satisfaction.</td>
</tr>
<tr>
<td>4</td>
<td>Tarsani (2017)</td>
<td>The role of customer service in increasing customer satisfaction through interpersonal communication approaches</td>
<td>CSO must be competent in communicating information and solutions related to customer needs and complaints so that customer satisfaction can be achieved.</td>
<td>A company's responsibility is to provide services in terms of product information, consultation, handling of complaints, after-sales services, etc.</td>
</tr>
<tr>
<td>5</td>
<td>Leninkumarr, V (2017)</td>
<td>Customer satisfaction relationship and customer confidence in customer loyalty</td>
<td>A significant positive correlation between customer confidence and loyalty, customer satisfaction and loyalty, and customer satisfaction and trust.</td>
<td>Customer trust is influenced by customer satisfaction, proving that customer satisfaction is antecedent by customer trust.</td>
</tr>
<tr>
<td>6</td>
<td>Rantyanti, V. N. P., &amp; Halim, R. E (2020)</td>
<td>The effect of service innovation and service quality on customer satisfaction and loyalty in the banking industry</td>
<td>Services have a positive effect on customer satisfaction and loyalty, while service quality has a positive effect on customer satisfaction.</td>
<td>Service innovation and service quality as antecedent satisfaction and customer loyalty in the banking industry.</td>
</tr>
</tbody>
</table>
The role of religiosity as a mediation variable in online transaction relationships with customer satisfaction and loyalty in Islamic banking

There is no effect of failure on online transaction experience in Islamic banking; 2) there is an influence of service recovery on online customer experiences in Islamic banking; 3) There is an influence of customer experience on customer satisfaction in online transactions in Islamic banking.

The influence of product quality and service quality on customer satisfaction and loyalty.

1) Service quality affects customer satisfaction. 2) Product quality affects customer loyalty. 3) Service quality affects customer loyalty. 4) Satisfaction affects customer loyalty.

The effect of promotion and service quality on customer satisfaction and loyalty.

1) Service quality affects customer satisfaction. 2) Service quality affects customer loyalty. 3) Satisfaction affects customer loyalty.

The increasing quality of service will impact increasing satisfaction and loyalty to customers of e-banking service users. Satisfaction affects loyalty.

1) There is an influence of customer satisfaction on customer loyalty using online transactions in banking. The service communication process affects satisfaction. The quality of e-banking services in banking can satisfy customers and create high loyalty.

WRITING METHOD
This Literature Review article writing method is a descriptive qualitative method and literature study or library research, sourced from Google Scholar online applications, Mendeley, and other online applications. This Literature Review article is in the field of marketing management science. The method is a procedure or way to find something with systematic steps. The methodology is an assessment that studies the rules of a method. (Husaini, 1998) mentioned that methodology is an assessment studying the rules contained in the study.

In qualitative research, literature studies must be used consistently with methodological assumptions. This means that it must be used inductively so that it does not direct the questions raised by the researcher. One of the main reasons for conducting qualitative research is that the research is exploratory (Ali, H., & Limakrisna, 2013).

DISCUSSION
Based on the formulation of the problem, the study of theory, and relevant previous research, the discussion of this review literature article is:
The Effect of the Service Communication Process on Satisfaction.

The service communication process affects satisfaction, where the quality of the servant is a factor for customer satisfaction because, if it can provide good servants, the customer will feel comfortable. Factors that affect the quality of servants include speed, accuracy, and friendliness of customer service officers in serving customers. Kotler and Keller (2007) state that the effects of quality service and customer satisfaction will shape the interest in buying or reusing a product. This means that a better service, supported by high customer satisfaction, will undoubtedly form consumer loyalty.

Satisfaction is a feeling of happiness or disappointment arising after comparing the perception or impression of the performance or results of a product and his expectations. So, satisfaction is a function of perception or impression of performance and expectations. (Kotler, 2003).

The service communication process affects satisfaction; this is in line with research conducted by: (Yuvana Werdaningtyas, 2020)

The Effect of handling complaints of customer service officers on satisfaction.

Handling Customer Service Officer complaints is the most influential factor in customer satisfaction. Handling complaints is an effort to provide solutions or ways given by the company for negative feedback from customers. Some things that underlie customers applying for complaints are because customers feel disappointed by the company and do not get satisfying services. Many companies are proven to pay less attention to the performance of handling customer complaints.

Customer service is the service companies offer to customers before or after buying products or services. The purpose of CS is to provide comfort so that their experience transactions for the better and hope to meet their expectations. Customer response is significant for business owners because it provides more insight that can be used to increase business reviews, products, and customer experience.

Customer Service Officer handling of complaints affects satisfaction; this is in line with research conducted by: (Tarsani, 2017).

The Effect of the Service Communication Process on Customer Loyalty

Customer loyalty is closely related to service communication because providing high-quality customer service will create customer satisfaction. This satisfaction will emerge customer loyalty to the company. Kotler (in Sangadji and Sopiah, 2013) formulated that quality is a dynamic condition related to products, services, humans, processes, and the environment that meets or exceeds expectations. According to Lewis & Booms (in Tjiptono, 2008), service quality can be interpreted by measuring how good the service level is provided to satisfying of customer needs and desires accordingly to customer expectations. Based on this definition, service quality is determined by the company's ability to meet customer needs and desires under customer expectations.

All independent variables of brand reputation, customer satisfaction, service quality, profit-sharing justice, strategic location, commitment, and trust can significantly influence the dependent variable of customer loyalty. The better the customer’s satisfaction with the bank, the better it can lead to a loyal attitude, but satisfaction does not always have a relationship with customer loyalty. High satisfaction does not guarantee that customers remain loyal (Seguro, 2008).

The service communication process affects customer loyalty; this is in line with research conducted by: (Basri, 2019), (Sigit, K. N., & Soliha, E, 2017).
The Effect of handling CSO complaints on customer loyalty.

According to Hasan (2014), the main factors affecting customer loyalty are 1. Customer satisfaction; 2. Service Quality; 3. Brand Image; 4. Perceived Value; 5. Trust; 6. Customer Relationship; 7. Switching Cost; 8. Reliability. Customer loyalty is a customer's commitment to a brand and supplier based on a positive attitude reflected in a consistent repurchase. According to Tjiptono (2000), "Consumer loyalty is a customer's commitment to a brand, shop or supplier based on a very positive nature in long-term purchases.” From this understanding, it can be interpreted that loyalty to the brand is obtained because of a combination of satisfaction and complaints.

The cause of complaints is customers who complain because they feel dissatisfied with what is received. According to (Alma, 2016), there are several leading causes of not fulfilling consumer or customer expectations: 1. Consumers or customers mistakenly communicate the desired services. 2. Consumers or customers mistakenly interpret signals (cues) such as prices, promotions, and others. 3. Employee performance of poor service companies.

Customer Service Officers handling complaints can affect customer loyalty; this is in line with research conducted by: (Fida, B. A., Ahmed, U., Al-Balushi, Y., & Singh, D (2020).

The Effect of satisfaction on customer loyalty.

Customer satisfaction and loyalty is the main thing because this can benefit the company and its customers. For companies, realizing customer satisfaction (in this case, customers) can increase profit and get a broader market share. This means that customer satisfaction positively and significantly affects customer loyalty. This shows that the more customer satisfaction, the higher customer loyalty.

A better level of satisfaction the customer feels towards the bank can lead to a loyal attitude, but satisfaction does not always have a relationship with customer loyalty. High satisfaction does not guarantee that customers remain loyal (Seguro, 2008). So, it can be concluded that customer satisfaction has a positive and significant effect on customer loyalty because, with increasing customer satisfaction, customers who withstand will also increase.

Kotler and Keller (2007) state that the quality of service and customer satisfaction will shape the interest in buying or reusing a product. This means that a better quality of service, supported by a high level of satisfaction, will undoubtedly form consumers’ loyalty.

Conceptual Framework

Based on the formulation of the problem, the theoretical study, relevant previous research, and the discussion of the influence between variables, the conceptual framework of this article are as below.
Based on the Conceptual Framework image above, the service communication process and handling customer service officers complain about customer satisfaction and loyalty directly and indirectly. Apart from the four variables above, there are still those that affect customer satisfaction and loyalty, are:

1) **Brand Reputation**: (Harini et al., 2020), (Susalit, 2006), (Griffin, 2003), (Adi, 2009), (Suharyono & Ali, 2015), (Havidz et al., 2017), (Pusparani et al., 2021), (Masruhin et al., 2021), (Richardo et al., 2020), (Zahran & Ali, 2020), (Yassir Araffat et al., 2020).


3) **Commitment**: (Griffin, 2003), (Ken Hermanto, 2006), (Intan, 2014), (Tavip, 2012), (Darwisyah et al., 2021), (Mulyani et al., 2020), (Sivaram et al., 2020), (Agussalim et al., 2016), (Sivaram et al., 2019), (Somad et al., 2021), (Ridwan et al., 2020a).

4) **Trust**: (Ken Hermanto, 2006), (Tjiptono, 2002), (Seguro, 2008), (Ridwan et al., 2020b), (Widodo et al., 2020), (Bimaruci et al., 2020), (Maida et al., 2017), (Desfiandi et al., 2019), (Sudiantini & Saputra, 2022), (Thanh Nguyen et al., 2019).

**CONCLUSIONS AND RECOMMENDATIONS**

**Conclusions**

Based on theory, relevant articles and discussions can be formulated as hypotheses for further research:

1. The service communication process affects satisfaction.
2. Handling of Customer Service Officer complaints affects satisfaction.
3. The service communication process affects customer loyalty.
5. Satisfaction affects customer loyalty.

**Recommendations**

Based on the conclusions above, the recommendation in this article is the hope that PT Bank Rakyat Indonesia (Persero) Adpel Tanjung Priok can give more attention to customers services quality provided to achieve the company goals. BRI can start providing a suggestion box to provide freedom to customers to show the services’ shortcomings so that they can be improved and customers feel comfortable. In the end, customers become satisfied and loyal to BRI. In addition to improving service quality, it can also provide guidelines for using e-channels so that each customer can use e-channel optimally. Subsequent research can be conducted using other independent variables such as motivation, products, and promotions.

Many other factors affect customer satisfaction and loyalty, apart from customer satisfaction and loyalty at all types and levels of the organization or company. Therefore, further studies are still needed to find other factors that can affect satisfaction and customer loyalty other than those examined in this article, such as brand reputation, strategic location, commitment, and trust.

**BIBLIOGRAPHY**


