The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

PalArch's Journal of Archaeology
of Egypt / Egyptology

THE RELATIONSHIP BETWEEN CUSTOMER RELATIONSHIP LEARNING AND CORPORATE IMAGE AND PRODUCT QUALITY AT THE REGIONAL DEVELOPMENT BANK OF EAST JAVA PLC, SURABAYA REGION

Bondan Seno Aji[1], Ujianto Ujianto[2], Mulyanto Nugroho[3]

[1] Doctoral Program in Economics, Faculty of Economics and Business, Universitas 17 Agustus 1945 Surabaya, Indonesia, email: bondasenoaji@gmail.com
[2] Lecturer at the Faculty of Economics and Business, Universitas 17 Agustus 1945 Surabaya, Indonesia, email: ujiantojatim@gmail.com
[3] Lecturer at the Faculty of Economics and Business, Universitas 17 Agustus 1945 Surabaya, Indonesia, email: nugroho@untag-sby.ac.id

Abstract

This study aims to analyze the Relationship of Customer Relationship Learning to Corporate Image and Product Quality at the Regional Development Bank of East Java Plc, Surabaya Region. This research method is quantitative with a descriptive research approach. Collecting data in this research questionnaire and literature study. In this study, the analysis of Structural Equation Modeling (SEM), using Amos 24. The results showed that customer relationship learning has an effect on the corporate image of Bank Pembangunan Daerah Jawa Timur Plc in the Surabaya area, this shows that with a customer relationship strategy learning, will be able to increase the corporate image Bank Pembangunan Daerah Jawa Timur Plc. Customer relationship learning has no significant effect on product quality. Commitment is needed to improve product quality, for example by increasing the multifunction of savings, so that it can be used as needed, also profitable because the savings product of Bank Pembangunan Daerah Jawa Timur Plc can be used as an investment in the future.

Keywords: Customer Relationship Learning, Corporate Image, Product Quality

INTRODUCTION

Customer relationship learning is the process by which a person acquires knowledge of purchasing and consumption, which will be applied to related behaviors in the future. In addition to customer relationship

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

learning, corporate image also plays an important role in the development of service products. An image cannot be printed like making goods in a factory, but an image is an impression that is obtained according to someone's knowledge and understanding of something. Image is formed from how the company carries out its operational activities, which have the main foundation in terms of service. A good image is a powerful tool not only to attract consumers to choose a company's products or services, but also to improve consumer attitudes and satisfaction towards the company (Chien & Chi, 2019; Kim et al., 2017).

Image is formed based on impressions, based on the experience experienced by someone with something, so that it is finally used as a consideration for making decisions, because images are considered to represent the totality of one's knowledge of something. The company's image is not fixed, depending on the times, technological developments and information developments (Bocij et al., 2008; Kohler et al., 2009). It even depends on the development of the company. Company image is subject to change. For example, if a company opens branches in several areas quickly, the image that is captured by the public can be different from that of a company that develops slowly but steadily. Product quality is the overall combination of characteristics of goods and services, from marketing, engineering, manufacturing and maintenance that makes the products and services used meet customer expectations (Hallak, 2006; Isaksson et al., 2009; Martinez et al., 2010).

Based on the definition it can be concluded that quality is based on the customer's actual experience of goods or services, measured based on customer requirements, meaning that stated or not stated, consciously or only felt, done technically or are subjective in nature, can represent targets moving in a competitive market. . Perceived of Product Quality is a dynamic condition that deals with goods, services, people, products and the environment that meet or exceed expectations. Based on the description that has been stated that the research objective is to analyze the relationship between Customer Relationship Learning and Corporate Image and Product Quality at Bank Pembangunan Daerah Jawa Timur Plc, Surabaya Region.

METHODS

This research uses quantitative methods with a descriptive research approach. This type of research used in this paper is causal research. Causal research aims to obtain evidence regarding a cause - effect relationship to determine whether one or more variables cause or influence changes in other variables. The population in this study were 1,329 savings customers in 10 locations in the Surabaya area of the Bank Pembangunan Daerah Jawa Timur Plc network, representing the eastern, western, northern and southern regions of Surabaya, the number of respondents was 307. Data collection methods in this study were koesiner and literature study. In this study, the analysis of Structural Equation Modeling (SEM), using Amos 24. In this study, corporate image is an impression, the knowledge experienced by customers of Bank Pembangunan Daerah Jawa Timur Plc. This corporate image variable is operationally measured using 4 indicators namely personality, reputation, value and corporate identity.

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

In this study, product quality is a dynamic condition that meets this product quality variable which is operationally measured using 4 indicators (Kotler, 2015), namely product performance, a feature that guarantees future sustainability, Product Reliability and Conformance.

RESULTS AND DISCUSSION
Variable Corporate image (company image)

Indicators of corporate image variables consist of: personality, reputation, value of concern, and the identity of PT. East Java Regional Development Bank Plc (corporate identity).
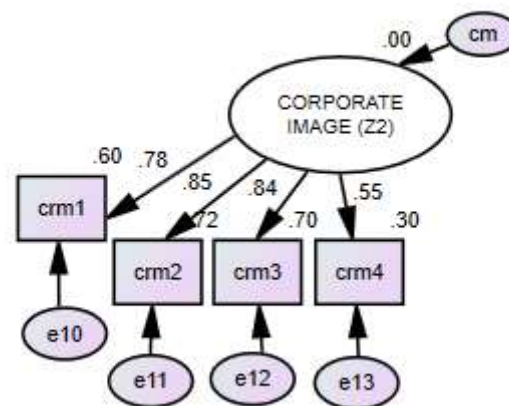

Figure 1. Variable Diagram of the company image

By using factor analysis to look for the factors that shape corporate image variables, it can be seen that the dominant factors that shape corporate image are reputation (0.847), followed by the value of concern (0.839), personality (0.776), and corporate identity (0.552), as seen in Image 1.

Based on the results of statistical tests in AMOS version 24, the value of the CR (critical ratio) for each indicator forming the corporate image variable is greater than 2 Jöreskog & Sörbom (1996). Thus, the four indicators are indicators that significantly form the image. company (corporate image).

The biggest contribution in shaping the company's image is reputation indicators, meaning that the respondents prefer to prioritize the company's image in terms of reputation, namely PT. East Java Regional Development Bank Plc has received an award from the government, for its achievements in the financial sector, as well as in supporting the financial transaction process, PT. East Java Regional Development Bank Plc uses the latest technology. Followed by an indicator of the value of concern which means if there are problems, then the employees of PT. East Java Regional Development Bank Plc will prioritize the interests of customers, if there are problems, then the management of PT. East Java Regional Development Bank Plc prioritizes the interests of customers.

Table 2.Corporate Image Loading Factors

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

Regression Weights			Estimate	Standard Estimate(λ)	S.E.	C.R.	P
crm4	←	COR	0.791	0.552	0.091	8.723	0,000
crm1	←	COR	1.000	0.776			
crm2	←	COR	1.244	0.847	0.093	13.355	0,000
crm3	←	COR	1.030	0.839	0.078	13.253	0,000

The next dominant indicator is personality, which means the personality of the employees at PT. East Java Regional Development Bank Plc reliable, management personality at PT. East Java Regional Development Bank Plc can be praised. The last indicator is the identity of PT. East Java Regional Development Bank Plc (corporate identity) which means PT. East Java Regional Development Bank Plc is a symbol of the success of East Java residents and the location of PT. East Java Regional Development Bank Plc is very strategic.

Variable Product quality

Indicators of product quality variables consist of: product performance, future features of the product grade, product reliability, and suitability. By using factor analysis to look for the factors forming the product quality variable, it can be seen that the dominant factor that shapes product quality is product reliability (0.810), followed by product performance (0.588), product future (0.486), and suitability (0.403), such as shown in Figure 1.
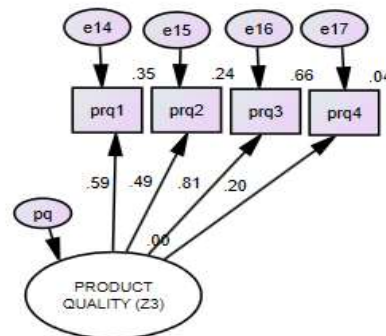

Figure 2. Variable diagram of product quality

Based on the results of statistical tests in AMOS version 24, the value of the CR (critical ratio) for each indicator forming the product quality variable is greater than 2 (Jöreskog & Sörbom (1996). product quality.The biggest contribution in shaping product quality is an indicator of product reliability, meaning that respondents agree that the characteristics of the savings products offered by PT. Bank Pembangunan Daerah Jawa Timur Plc follow government regulations, the savings products offered by PT. Bank Pembangunan Daerah Jawa Timur Plc have the level of security, high profits Followed by product performance, which means the respondent agrees that the quality of the savings products available at PT. Bank Pembangunan Daerah Jawa Timur Plc are in

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

accordance with the expectations of the respondents. Followed by future product indicators, which means products of PT. Bank Pembangunan Daerah Jawa Timur Plc has multiple functions , so that it can be used according to the respondent's needs, as well as saving at PT. East Java Regional Development Bank Plc, is profitable because of the savings product at PT. East Java Regional Development Bank Plc can be used as an investment in my future.

Table 3. Product Quality Loading Factors

Regression Weights			Estimate	Standard Estimate(λ)	S.E.	C.R.	P
prq4	←	PRO	0.463	0.403	0.170	2.713	0,000
prq1	←	PRO	1.000	0.588			
prq2	←	PRO	0.920	0.486	0.159	5.781	0,000
prq3	←	PRO	1.735	0.810	0.319	5.447	0,000

The last indicator is suitability, which means that the respondent agrees that PT. East Java Regional Development Bank Plc tailored to customer needs, and products of PT. East Java Regional Development Bank Plc adapted to the characteristics of the people of East Java. As shown in table 3.

Customer relationship learning has a significant effect on corporate image

The variable path coefficient of customer relationship learning to the corporate image of Bank Pembangunan Daerah Jawa Timur Plc in Surabaya is 0.964 with a critical ratio (CR) of 8.074 and a probability value of 0.000. The probability value is smaller than 0.05, this indicates that the influence of the customer relationship learning variable on the corporate image of Bank Pembangunan Daerah Jawa Timur Plc, Surabaya area is significant or reliable. While the positive value of beta explains the effect is unidirectional, meaning that the success of Bank Pembangunan Daerah Jawa Timur Plc which has implemented good customer relationship learning, intensively and continuously generally contributes to improving the image of Bank Pembangunan Daerah Jawa Timur Plc in the Surabaya region, thus On the other hand, failure to implement customer relationship learning can reduce the corporate image of Bank Pembangunan Daerah Jawa Timur Plc in front of customers. The contribution made in this contribution amounted to 96.4%.

The descriptive description shows that, the customer relationship learning that has been successfully built by Bank Pembangunan Daerah Jawa Timur Plc Surabaya region reaches a strong level with an average value of = 4.006. From the factor analysis it is known that the dominant factor that forms customer relationship learning is an indicator of repetition, thus that respondents prefer repetition in customer relationship learning activities in the case that employees of Bank Pembangunan Daerah Jawa Timur Plc provide understanding to customers, ways of conducting transactions. banking, as well as customers guided by employees, when they first fill out the form to become a customer of Bank Pembangunan Daerah Jawa Timur Plc. The second dominant indicator for customer relationship learning is the generalization stimulus indicator,

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

meaning that the red and white color will remind customers of the Bank Pembangunan Daerah Jawa Timur Plc building, as well as every customer who wants to make financial transactions, always remembering Bank Pembangunan Daerah Jawa Timur Plc. The next indicator is the stimulus discrimination indicator which shows that Bank Pembangunan Daerah Jawa Timur Plc reminds respondents about comfortable financial transactions, and also according to respondents, safe financial transactions are at Bank Pembangunan Daerah Jawa Timur Plc.

Consumer learning is a branch of consumer behavior that focuses on the consumer learning process. Consumer learning is attractive to marketers, because this knowledge is an important opportunity to teach individuals in their role as consumers. By teaching them, marketers can ensure that their products and services will be preferred over competitors (Schiffman, 2017; Cialdini & Griskevicius, 2010; Kahneman et al., 2011), mentioning that learning is a relatively constant change in behavior, which occurs as a the result of experience. This definition distinguishes between learning and reflex which are involuntary behaviors that occur in response to a stimulus. The important things that must be considered from this definition are that: (1) Consumer learning is a process, thus learning will take place continuously, and which will continue to change as a result of the knowledge gained, or from actual experience. (2) New knowledge and personal experience, serves as a reciprocal for the individual, and provides a benchmark for future behavior in similar situations.

The learning process is a relatively permanent change in behavior that results from experience. (Jones et al., 2013). From a marketing perspective, learning is a process by which a person acquires knowledge of, purchasing and consumption knowledge, which will be applied to related behaviors in the future. (Schiffman & Kanuk, 2004). Learning is a process where experience will lead to changes in knowledge, attitudes and behavior (Engel et al., 2012). Learning can be viewed as a relatively permanent change in behavior that arises from experience (Jones et al., 2013).

The generalization stimulus indicator is the second dominant indicator of customer relationship learning variables in this study, so the Bank Pembangunan Daerah Jawa Timur Plc Surabaya region deserves to pay more attention to the generalization stimulus indicators in this marketing activity, because red and white will remind customers of the building. Bank Pembangunan Daerah Jawa Timur Plc, as well as every customer when it comes to making financial transactions, is always reminded of Bank Pembangunan Daerah Jawa Timur Plc. Therefore, the red and white colors in the buildings of Bank Pembangunan Daerah Jawa Timur Plc need to be maintained so as not to become dull, because it is one of the triggers for customers to save at Bank Pembangunan Daerah Jawa Timur Plc.

The results of this study are in accordance with the findings of Lin et al. (2014), which suggests that relationship learning has a positive effect on corporate environmental ethics which affects performance positively. Bell (2005) & Eng (2005) state that learning in relationship networks involves a constellation of resource relationships among business partners who are tied together by interconnected resources. This has the potential to

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

increase the value of corporate relationships in terms of knowledge created through interactions between companies in the business network. The interdependence of firms in business networks creates learning adaptation and coordination effects which can have implications for the value of relationships. An understanding of the network context through the interactions between companies facilitates learning and the development of corporate learning abilities that increase the value of relationships.

Customer relationship learning has a significant effect on product quality

The path coefficient of the customer relationship learning variable on the product quality of Bank Pembangunan Daerah Jawa Timur Plc for the Surabaya region is 0.039 with a critical ratio (CR) of 0.118 and a probability value of 0.129. The probability value is greater than 0.05, this indicates that the influence of the customer relationship learning variable on the product quality of Bank Pembangunan Daerah Jawa Timur Plc, Surabaya area is insignificant or unreliable. While the positive value of beta explains the effect is unidirectional, meaning that the success of Bank Pembangunan Daerah Jawa Timur Plc, which has implemented good customer relationship learning, intensively and continuously generally contributes to improving the quality of products of Bank Pembangunan Daerah Jawa Timur Plc in the Surabaya region (in this study the results are small), and vice versa failure in implementing customer relationship learning can reduce the quality of Bank Pembangunan Daerah Jawa Timur Plc products in front of customers. The contribution made in this contribution amounted to 3.9%.

The insignificant effect of customer relationship learning on product quality can occur because the products offered by Bank Pembangunan Daerah Jawa Timur Plc are generally no different from the products offered by other banks. Therefore, it is fitting for Bank Pembangunan Daerah Jawa Timur Plc to create new products and services, which are completely new and different from existing products. This can be done by, for example, creating a customer registration process through online services. Progressive loan interest services decreased for subsequent borrowings, and others.

If you look at the description of the customer relationship learning variable description, the lowest indicator value is stimulus discrimination, thus stimulus discrimination needs to be further enhanced by providing comfortable and safe financial transaction services for customers. Of course, also by maintaining the confidentiality of fund transactions owned by customers.

The descriptive description shows that, the customer relationship learning that has been successfully built by Bank Pembangunan Daerah Jawa Timur Plc Surabaya region reaches a strong level with an average value of = 4.006. The third indicator that forms customer relationship learning is the stimulus discrimination indicator which shows that Bank Pembangunan Daerah Jawa Timur Plc reminds respondents of comfortable financial transactions, and also according to respondents, safe financial transactions are at Bank Pembangunan Daerah Jawa Timur Plc.

Behavioral learning theory is a theory of behavior change as a result of experience (Gage & Berliner, 1979). Behavioral learning theory is

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

sometimes called stimulus-response theory, because it is based on the idea that real responses to certain external stimuli signal that learning has occurred. If a person acts in a predictable way against a known stimulus, he is said to have learned. Behavioral theory has not as much to do with the learning process as it does to learning input and outcomes; namely the stimuli that consumers choose from the environment and the resulting real behavior. Slavin (2000); Gage & Berliner (1979), state that behavioral learning theories are based on the assumption that learning occurs as a result of a response to external events. Meanwhile, according to Schiffman & Kanuk (2004) it refers to behavioral learning theories as stimulus-response theories because they focus on the inputs and outcomes that produce learning. The behavioral approach sees individual thoughts as "black boxes" which emphasize the observable aspects of behavior. Two behavioral theories that have a lot to do with marketing are classical conditioning and instrumental conditioning (operant).

The results of this study are different from the findings of Wijaya (2013) showing that relationship learning is the main important requirement for creating a company's innovation power to increase its competitive advantage. Through learning the market orientation relationship has a positive effect on company performance. It is also different from the findings of Selnes & Sallis (2003) that transaction complexity and relationship complexity increase motivation to learn. When complexity increases, customers and suppliers are motivated to increase learning to solve problems. Relationship learning has a positive effect on relationship efficiency and relationship effectiveness. In the long term, high learning relationships tend to foster products and services that provide more value and are superior in solving problems for its users. Lin (2014) states that corporate environmental ethics is a mediator between green relationship learning and green innovation. Green relationship learning has a positive effect on corporate environmental ethics which affects green innovation performance positively.

CONCLUSION

Customer relationship learning has an effect on the corporate image of Bank Pembangunan Daerah Jawa Timur Plc in the Surabaya area, this shows that with a customer relationship learning strategy, it will be able to increase the corporate image of Bank Pembangunan Daerah Jawa Timur Plc. Customer relationship learning has no significant effect on the product quality of Bank Pembangunan Daerah Jawa Timur Plc in the Surabaya area, this shows that with a customer relationship learning strategy, it has not been able to increase the product quality of Bank Pembangunan Daerah Jawa Timur Plc. in the Surabaya area.

REFERENCES

Bell, G. G. (2005). Clusters, networks, and firm innovativeness. *Strategic management journal*, *26*(3), 287-295.

Selnes, F., & Sallis, J. (2003). *Promoting relationship learning*. Journal of Marketing, 67(3), 80 – 95.

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

Bocij, P., Greasley, A., & Hickie, S. (2008). *Business information systems: Technology, development and management*. Pearson education.

Chien, L., & Chi, S. (2019). Corporate image as a mediator between service quality and customer satisfaction: difference across categorized exhibitors. *Heliyon*, *5*(3), e01307.

Cialdini, R. B., & Griskevicius, V. (2010). *Social influence.* In R. F. Baumeister & E. J. Finkel (Eds.), *Advanced social psychology: The state of the science* (p. 385–417). Oxford University Press

Eng, T. Y. (2005). The effects of learning on relationship value in a business network context. *Journal of business-to-business marketing*, *12*(4), 67-101.

Engel, B., & Blackwell, R. Miniard.(2012). *Perilaku Konsumen. Tangerang: Binarupa Aksara.*

Gage, N. L., & Berliner, D. (1979). Educational Psychology. Chicago: Rand Mc.

Hallak, J. C. (2006). Product quality and the direction of trade. *Journal of international Economics*, *68*(1), 238-265.

Isaksson, O., Larsson, T. C., & Rönnbäck, A. Ö. (2009). Development of product-service systems: challenges and opportunities for the manufacturing firm. *Journal of Engineering Design*, *20*(4), 329-348.

Jones, M., Solomon, J., & Siddiqui, J. (2013). Mainstreaming biodiversity accounting: potential implications for a developing economy. *Accounting, Auditing & Accountability Journal*.

Jöreskog, K. G., & Sörbom, D. (1996). *LISREL 8: User's reference guide*. Scientific Software International.

Kahneman, D., Lovallo, D., & Sibony, O. (2011). Before you make that big decision. *Harvard business review*, *89*(6), 50-60.

Kršlak, S. Šehić ., & Ljevo, N. . (2021). Organizational Creativity in the Function of
Improving the Competitive Advantage of Tourism Companies in Bosnia and Herzegovina. *Journal of Advanced Research in Economics and Administrative Sciences*, *2*(1), 81-91. https://doi.org/10.47631/jareas.v2i1.215

Kim, J. S., Song, H., Lee, C. K., & Lee, J. Y. (2017). The impact of four CSR dimensions on a gaming company's image and customers' revisit intentions. *International Journal of Hospitality Management*, *61*, 73-81.

Kohler, T., Matzler, K., & Füller, J. (2009). Avatar-based innovation: Using virtual worlds for real-world innovation. *Technovation*, *29*(6-7), 395-407.

Lin, W. T. (2014). How do managers decide on internationalization processes? The role of organizational slack and performance feedback. *Journal of World Business*, *49*(3), 396-408.

Martinez, V., Bastl, M., Kingston, J., & Evans, S. (2010). Challenges in transforming manufacturing organisations into product-service providers. *Journal of manufacturing technology management*.
Okoyeuzu, C., & Kabiru Dandago Isa. (2020). Investigating The Factors That Undermine
Innovative Financing Towards Sustainability Of Entrepreneurship In Nigeria. *Journal Of Advanced Research In Economics And Administrative Sciences*, *1*(2), 1-13. Https://Doi.Org/10.47631/Jareas.V1i2.65

The Relationship between Customer Relationship Learning and Corporate Image and Product Quality
at the Regional Development Bank of East Java Plc, Surabaya Region

PJAEE, 18 (4) (2021)

Schiffman, D., Young, W., & Zelekha, Y. (2017). Adviser and Activist: Lerner on the Israeli Economy, 1953 and Afterward. In *The Role of Economic Advisers in Israel's Economic Policy* (pp. 19-49). Springer, Cham.

Schiffman, L.G. & Kanuk, L.L. (2004). Consumer behaviour. Saddle River, NJ: Pearson Prentice Hall.

Selnes, F., & Sallis, J. (2003). Promoting relationship learning. *Journal of marketing*, *67*(3), 80-95.

Wijaya, B. S. (2013). Dimensions of brand image: A conceptual review from the perspective of brand communication. *European Journal of Business and Managemrnt*, *5*(31), 55-65.