

Strategic Alliance to Build Customer Trust Bank Syariah in Indonesia

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ABSTRACT

The biggest challenge for Bank Syariah Indonesia as a merged company is maintaining customer trust. Changes in organizational structure, service adjustment processes, and other changes are prone to creating a decrease in customer trust which will have an impact on decreasing customer satisfaction and loyalty. This study aims to obtain the influence of strategic alliance on customer trust. This study used an explanatory survey method. The sampling technique used was a purposive sampling technique of as many as 150 respondents. The data analysis technique used was Simple Linear Regression analysis using IBM SPSS version 20.0 for Windows. The results showed that strategic alliance had a positive and significant influence on customer trust by 19.5%.

Keywords: *Customer Trust, Strategic Alliance*

1. INTRODUCTION

Based on the data from The State of Global Islamic Economy Indicator Report, Indonesia's sharia economic activity has increased very rapidly. In 2018, Indonesia's sharia economy was ranked 10th in the world and rose to 5th in the world in 2019. However, from the point of view of the domestic banking industry, the market potential of Islamic banks is quite large and has not been fully exploited. This is because there are 30.27 million new Islamic bank customers as of November 2020. When compared to the total Muslim population in Indonesia, which is 180 million, there is still a fairly large gap indicating this figure is far from expectations [1].

One of the efforts to reduce the gap is the establishment of the Indonesian Islamic Bank. Bank Syariah Indonesia (BSI) is a bank resulting from the merger of three Islamic banks under BUMN, including BRI Syariah (BRIS), BNI Syariah (BNIS), and Bank Syariah Mandiri (BSM) which officially operates as of February 1, 2021. The establishment of Bank Syariah Indonesia is expected able to strengthen competitiveness by increasing the Indonesian Islamic financial market to occupy a higher position at the world level [2]. Other goals in the establishment of the Indonesian Islamic Bank include increasing efficiency and expanding distribution

so that it is affordable by the community in various regions [3].

The biggest challenge for Bank Syariah Indonesia as a merged company is maintaining customer trust. Changes in organizational structure, service adjustment processes, and other changes are vulnerable to creating a decrease in customer trust which will have an impact on decreasing customer satisfaction and loyalty [4, 5].

Figure 1. Total Indonesian Banking Assets shows that Indonesian Islamic Banks have not succeeded in entering the top 5 with the most total assets. Whereas with the model of the company resulting from the merger, Bank Syariah Indonesia is expected to be able to compete with the total assets owned by conventional banks. This indicates that customer confidence in saving or depositing their money at Bank Syariah Indonesia still needs to be improved.

One of the factors that are considered to be able to increase customer trust in Bank Syariah Indonesia includes the implementation of a successful strategic alliance [6]. Bank Syariah Indonesia must be able to integrate all the resources owned by each pre-merger company and provide the best service according to customer needs.



Source: [7]

Figure 1. Total Indonesian Banking Assets

Based on the description above, a research paradigm was drawn up, clearly depicted in Figure 2.

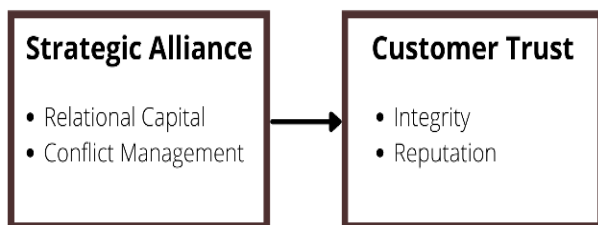


Figure 2. Research Paradigm

H₁: There is an influence of strategic alliance on customer trust

1.1 Strategic Alliance

Companies that compete in today's business environment form strategic alliances for a variety of strategic goals. Through active engagement in strategic alliances, several positive outcomes from resource acquisition to synergies creation can be achieved by multiple alliance partners [8]. Strategic alliances are long-term relationships in which companies work together and are willing to change their business practices to improve performance together [9]. The dimensions of strategic alliance in this study consist of:

- Relational Capital

Relational capital refers to the degree of mutual trust, respect, and friendship that arises from close interactions at the individual level between alliance partners [10]. Relational capital can help companies successfully balance the acquisition of new capabilities with the protection of existing ownership assets in alliance situations. On the other hand, relational capital facilitates learning through close one-to-one interactions between alliance partners. It minimizes the possibility that the alliance partner will engage in opportunistic behavior to unilaterally absorb or steal information or knowledge that is core or proprietary to its partner [10].

- Conflict Management

This is in accordance with previous research [11] which stated that conflict management in a company would affect the success of organizational alliances. The better the conflict management created by a company, the higher the success rate of strategic alliances that are carried out. Conflict management can contribute to teamwork performance through the ability to accommodate ideas from partner organizations, avoid disputes with mutual respect, maintain communication and collaborate on work methods [12].

1.2 Customer Trust

Trust refers to the belief that one can rely on promises made by others and that the other will act in good faith and a friendly manner [13]. In many cases, customer trust is based on the bank's interactions with previous customers [14]. Although previous interactions do not guarantee that the bank's service will be as expected by the customer, customer confidence will increase if the bank previously provided services that were in line with expectations. The dimensions of customer trust in this study consist of:

- Integrity

This is in line with previous research [15] which showed that the ability and integrity of the company are the main factors that are closely related to customer trust and participation. Therefore, companies need to continue to maintain and improve their ability to serve consumers while still focusing on the integrity of the company. Thus, consumers will then continue to trust and maintain their participation [15]. Integrity is very important in banking because it helps generate the trust that is the determinant for the financial system to thrive [16].

- Reputation

Reputation can be seen as the result of an organization's relational history to the context in which it functions [17]. In this case, the resulting series of interactions between the company and its customers will be a source of information for them to value product quality compared to available alternatives [18]. Reputation will be the result of a comparison between what the company promises and what they end up delivering. Thus, reputation will show how honest the company is and how much they care about their customers [19].

2. METHODS

The variable studied in this study is customer trust (the dependent variable) which is measured through integrity and reputation. while the independent variable is the alliance strategy as measured by relational management and conflict management. This research studies objects in a certain period of time (not sustainable in the long term) where this research was conducted less

than one year so that the method used is cross sectional. The information collected is only done once in a period, so this research is one-shot or cross-sectional [20].

The sample in this study is the Indonesian Islamic Bank as many as 150 respondents who were taken using a simple random sampling technique, namely the process of selecting a sampling unit in such a way that each sampling unit in the population has the same opportunity to be selected as a sample [1]. The data sources used consist of primary data obtained from respondents' responses and secondary data from various literatures. The verification data analysis technique used to determine the relationship in this study is Simple Linear Regression with the help of IBM SPSS version 20.0 for Windows tools.

3. RESULTS AND DISCUSSION

3.1. Classical Assumption Test for Simple Linear Regression Model

Before evaluating the measurement model in a simple linear regression regarding the effect of strategic alliance on customer trust, it is necessary to test the classical assumptions used in this study.

- Normality Test

Normality test was performed using IBM SPSS version 20.0 for Windows. Figure 3 show result of normality test.

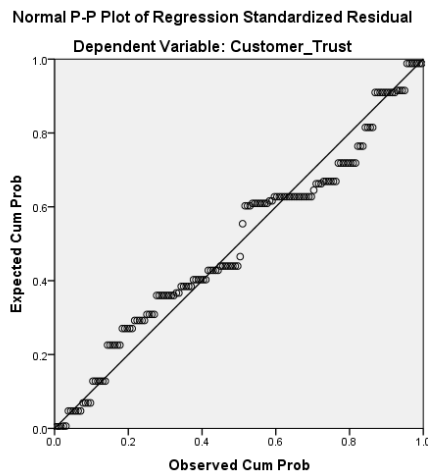


Figure 3. Normality Test Output.

Based on Figure 3, it can be seen that the data is distributed diagonally and follows the diagonal direction. Then the regression results obtained, namely, the population meets the assumption of a normal distribution. In addition, to further strengthen the evidence of whether the research data is normally distributed, the Kolmogorov-Smirnov Test was used to test for normality. In the Kolmogorov Smirnov test, if the significance is less than 0.05, it indicates that there is a significant difference, if it is more than 0.05, it indicates that there is no significant difference. The application of the Kolmogorov Smirnov test if the significance is less than 0.05 means that the data to be tested is different from normal data, then the data is not normal. The output of the normality test is shown in Table 1.

Table 1. Kolmogorov Smirnov Test
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		150
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	4.83321199
Most Extreme Differences	Absolute	.101
	Positive	.101
	Negative	-.090
Test Statistic		.101
Asymp. Sig. (2-tailed)		.001 ^c
Exact Sig. (2-tailed)		.088
Point Probability		.000

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Based on Table 1, it is known that the significant level is 0.088 or greater than 0.05 so it can be said that the data is normally distributed.

- Linearity Test

From the results of Table 2, it is known that the deviation from linearity value has a significance value of 0.709 > 0.05. So it can be concluded that there is a significant linear relationship between strategic alliance and customer trust.

Table 2. Linearity Test
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Customer_Trust * Strategic_Alliance	Between Groups	(Combined)	3106.383	11	28.398	1.954	.004
		Linearity	845.343	1	845.343	95.653	.000
		Deviation from Linearity	2261.041	10	6.104	5.584	.709
	Within Groups		1219.590	138	8.838		
	Total		4325.973	149			

3.2. Simple Linear Regression Analysis

The independent variable in this study is strategic alliance while the dependent variable is customer trust. To test whether there is an independent effect on the dependent variable, simple regression testing was conducted.

- Coefficient of Determination

Table 3. Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.442 ^a	.195	.190	4.850

a. Predictors: (Constant), Strategic_Alliance

Based on Table 3, the result of calculating the coefficient of determination for strategic alliance toward customer trust is 19.5%, while 80.5% is influenced by factors not examined in this study.

3.3 Hypothesis Test

- F-test

To test the significance of strategic alliance effect on customer trust, the F test in Table 4 can be used.

Table 4. F Test Significance Value

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	845.343	1	845.343	35.945	.000 ^b
Residual	3480.631	148	23.518		
Total	4325.973	149			

a. Dependent Variable: Customer_Trust

b. Predictors: (Constant), Strategic_Alliance

Table 4 shows the test for the F test taken from Anova with a probability level (Sig) = 0.000, the significance level of 0.05 is $0.000 < 0.05$, which indicates that there is an influence of strategic alliance on customer trust at Bank Syariah Indonesia.

- t-Test

The results of hypothesis testing are in Table 5.

Table 5. Test Significance Value

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	54.781	6.944		7.889	.000
Strategic_Alliance	.771	.129	.442	5.995	.000

a. Dependent Variable: Customer_Trust

Based on Table 5, the calculation of the t-test with the help of the SPSS 25.0 for the windows program obtained a t-count of 13,420 with a significance level of 5%. Compared to the t-table value, the t-count value is higher than the t-table value ($5,995 > 1,976$), so it can be

concluded that there is a positive effect of strategic alliance on customer trust in Bank Syariah Indonesia.

4. CONCLUSIONS

Based on the results of research that has been carried out using verification analysis using the Simple Linear Regression analysis between strategic alliance and customer trust in Bank Syariah Indonesia, the following conclusions can be drawn. Based on the research results, it was revealed that strategic alliance affected customer trust. This showed that the higher the strategic alliance, the higher the customer trust. The existence of this research is expected to be able to assist further researchers in examining strategic alliance and customer trust either by using the same or different indicators from more diverse theoretical sources and on different objects because there are many limitations in this study, especially those related to research methods and data collection techniques.

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