

Research Article

The effect of Islamic service quality and the quality of sharia public savings products on member loyalty at KSPPS BMT UGT Nusantara Tegaldlimo

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ABSTRACT

This study aims to analyze the influence of Islamic services and product quality partially and simultaneously on the loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo members. This type of research uses quantitative research with an explanatory research approach. The data source used is primary data in the form of data resulting from the distribution of questionnaires to members of the sharia general savings at KSPPS BMT UGT Nusantara Capem Tegaldlimo. The sampling technique with purposive sampling amounted to 85 respondents. The data analysis used in this study is validity, reliability, classical assumption test (normality test, heteroscedasticity and multicollinearity test) and multiple linear regression (partial t test, simultaneous f test, and determination test) with the help of SPSS 23 software. The results of multiple linear regression analysis showed that 1) The quality of Islamic services partially had a significant effect on the loyalty of BMT UGT Nusantara members Capem Tegaldlimo with a sig value of $0.00 < 0.05$; 2) Product quality partially has a significant effect on the loyalty of BMT UGT Nusantara members Capem Tegaldlimo with a sig value of $0.00 < 0.05$; 3) The quality of Islamic services and the quality of sharia general savings products simultaneously have a significant effect on the loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo members with a GIS value of $0.00 < 0.05$; 4) The quality of Islamic service and product quality in determination have a positive and significant effect on the loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo members by 51.2%.

Keywords : Islamic Service; Service; Product; Loyalty; Quality; Sharia Public Savings

1. INTRODUCTION

The use of banking services in the Industry 4.0 era is familiar to us, especially for those who live in urban areas. With the increasingly fierce competition, it is increasingly difficult for banks (Conventional Banks, Sharia Commercial Banks and Sharia Microfinance Institutions or abbreviated as LKMS) to maintain the loyalty of their customers and not move to other banks. If a bank wants to increase and retain customers, it must maintain a good image in front of customers so that it can survive. This encourages banks to provide the best and quality in offering products and services to attract and retain customers and maintain customer comfort (Adi Nur Cahyo, 2024:14). To retain and improve customers, the bank as an intermediary organization (liaison) between the party with excess money and the party in need of money is obliged to provide excellent service so that customers feel satisfied and do not choose the wrong bank (Kholis, 2018:201). Customer satisfaction is something that can be determined by customers based on the service and provision of bank products to customers (Ria Octavia, 2019:36).

Indonesia has non-bank financial institutions, one of which is cooperatives, which can also be called the pillars of the Indonesian economy by the 1945 Constitution. Law of the Republic of Indonesia No. 21 of 2008 concerning Sharia Banking regarding the amendment of the Law of the Republic of Indonesia No. 10 of 1998 concerning banking is expected to be able to reorganize the banking sector which has declined due to the crisis and most importantly is able to resurrect public trust in the banking sector (Muhammad, 2016:646), therefore cooperatives are the basis of a company that is permanent and very possible to develop economically. The population of Indonesia is mostly Muslim, which can be sure that they want a cooperative that is free from elements prohibited by Islam, hence the emergence of a sharia cooperative called Baitul Maal wa Tamwil (BMT). BMT is a Microfinance Institution (MFI) that operates based on sharia principles (Soemitra, 2014:415). BMT as a financial institution that is grown from the role of the community at large, there are no economic and social and even religious limitations. All components of society can play an active role in building a fairer financial system which is more important than being able to reach the smallest layer of entrepreneurs.

The development of Microfinance Institutions (MFIs), in this case Sharia Financing Savings and Loan Cooperatives (KSPPS) Baitul Maal wat Tamwil (BMT) is an institution established based on the ummah. In terms of numbers, BMT is an Islamic financial institution that is growing very rapidly compared to other Islamic financial institutions. One of the Islamic financial institutions that contributes significantly to the Indonesian economy is Baitul Maal wat Tamwil (BMT) (Supendi, 2018:234).

BMT is a microfinance institution that operates on the principle of profit sharing, growing and developing micro business in order to raise the degree and dignity and defend the interests of the poor, grown on the initiative and initial capital of local community leaders based on an economic system that is based on justice, peace, and welfare. As a Sharia Microfinance Institution (LKMS), BMT seeks to play a role in accordance with the legal provisions set by the government of financial institution operators based on sharia principles. One of them is BMT UGT Nusantara. According to Law No.10/1999 and Government Regulation No.72/1992 on banks based on the principle of profit sharing, it has provided positive opportunities for BMT to operate proportionally (Antonio, 2002:25).

BMT UGT Nusantara Capem Tegaldlimo is a non-bank Islamic financial institution that provides loan and financing capital for its members. which implements a problem-solving system in accordance with the predetermined SOPs. BMT UGT Nusantara Tegaldlimo offers several Savings products, such as: Sharia general savings, Eid al-Fitr savings, and Eid al-Adha savings. Savings products at BMT UGT Nusantara have several advantages, including: Riba-free, easy and sharia-compliant transactions, profitable and halal profit sharing, no monthly administration fees. The location of BMT UGT Nusantara Capem Tegaldlimo is located in a strategic place, namely Jl. Koptu Ruswandi No. 12 Dsn. Sumberluhur RT/RW. 014/002 Tegaldlimo Village, Tegaldlimo District, Banyuwangi Regency, East Java. This study aims to analyze the influence of Islamic services and product quality partially and simultaneously on the loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo members.

2. RESEARCH METHOD

This study uses a quantitative approach. The data used are primary data obtained from the distribution of questionnaires to members of sharia general savings products at KSPPS BMT UGT Nusantara Capem Tegaldlimo. The determination of the sample in this study used a purposive sampling technique with a sample instrument, namely members of KSPPS BMT UGT Nusantara Tegaldlimo. The determination of the number of samples and this research can be done in various ways, one of which is based on the opinion expressed by Ferdinand that in this study the number of representative samples depends on the number of indicators multiplied by five to ten. So, the number of representatives in this study was $17 \times 5 = 85$ respondents. In this study, the data analysis method used was multiple linear regression using SPSS for Windows software. To ensure the validity of the analysis, a series of classical assumption tests were performed, including normality tests, multicollinearity tests, and heteroscedasticity tests. In addition, instrument tests such as validity tests and reliability tests are carried out to ensure the reliability of the data. There are criteria that must be met to establish causal relationships in research are as follows. Quantitative methods can be interpreted as research methods based on the philosophy of positivism, used to research specific populations or samples, and use instruments for research data collection (Sekaran and Bougie, 2019:98).

3. RESULTS AND DISCUSSION

The results of the research are related to information that has been collected through the distribution of questionnaires to members of the Sharia General Savings at KSPPS BMT UGT Nusantara Capem Tegaldlimo.

Validity Test

This study uses a validity test using Pearson correlation calculations. If the significance value (Sig.) is less than 0.05, then the item is declared valid. The results of the validity test show that all statements are valid if r is calculated $> r$ table, r table is taken from $n-2$ which is $85-2 = 83$ and produces an r table of 0.213. The results of the above validity test are declared valid because they show that the results of R calculations are greater than the R table, meaning that all statement items can be used as research instruments. If r calculates $<$ from r table then the data or statement is invalid.

Table 1. Validity Test Results

Variable	Statement items	Person Correlation	Significant 2 Tailed	Information
Islamic Services (X1)	X1.1	0,716**	0,000	Valid
	X1.2	0,771**	0,000	Valid
	X1.3	0,727**	0,000	Valid
	X1.4	0,624**	0,000	Valid
	X1.5	0,407**	0,000	Valid
Products (X2)	X2.1	0,688**	0,000	Valid
	X2.2	0,723**	0,000	Valid
	X2.3	0,801**	0,000	Valid
	X2.4	0,864**	0,000	Valid
	X2.5	0,756**	0,000	Valid
	X2.6	0,755**	0,000	Valid
	X2.7	0,766**	0,000	Valid
	X2.8	0,797**	0,000	Valid
Loyalty (Y)	Y.1	0,759**	0,000	Valid
	Y.2	0,808**	0,000	Valid
	Y.3	0,674**	0,000	Valid
	Y.4	0,787**	0,000	Valid

Source: Primary Data processed with SPSS 23.

Reliability Test

Reliability tests are used to measure the extent to which a questionnaire is reliable or consistent in measuring something or a particular variable. One of the commonly used methods in measuring reliability is using the Cronbach Alpha statistic. The reliability test is carried out on the condition that the value of Cronbach Alpha (α) > 0.70 so that it can be considered reliable, if Cronbach Alpha (α) < 0.70 then it is considered unreliable.

Table 2. Results of Reality Test

Variable	Cronbach's Alpha	Information
Quality of Islamic Services (X1)	0,648	Reliable
Product Quality (X2)	0,897	Reliable
Loyalty (Y)	0,741	Reliable

Source: Primary Data processed with SPSS 23

Based on **Table 2**, it is known that Cronbach's Alpha variable service quality (X1) is 0.648, product quality (X2) is 0.897 and loyalty variable (Y) is 0.741 which means that the statement items in this research questionnaire are considered reliable or feasible.

Normality Test

The normality test aims to test whether the sample used has a normal distribution or not. In a linear regression model, this assumption is indicated by a normally distributed error value. A good regression model is a regression model that has a normal or near-normal distribution. The calculation of SPSS 23 is as follows:

Table 3. Normality Test Results – One Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		85
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.56514947
Most Extreme Differences	Absolute	.089
	Positive	.089
	Negative	-.064
Test Statistic		.089
Asymp. Sig. (2-tailed)		.094 ^c

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

Based on the rule of decision when Asymp.Sig. (2- Tailed) > Probability, which is normal. Based on the table above, it is known that the significance value of Asymp.Sig (2 Tailed) is 0.094 > 0.05, then on the basis of the Kolmogorov-Smirnov normality test decision, it can be concluded that the data is normally distributed.

Heteroscedasticity test

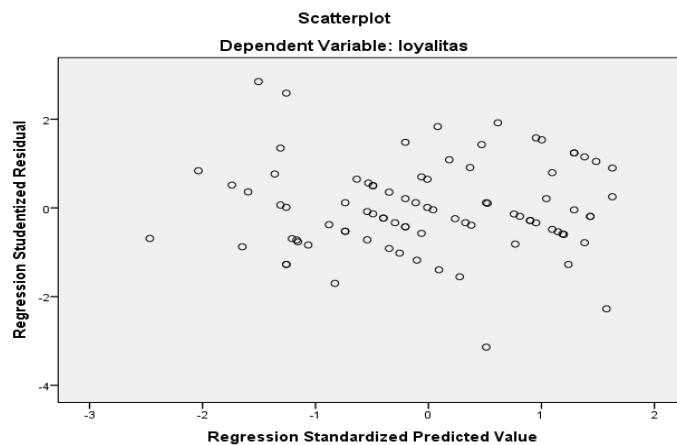
This Heteroscedasticity test uses the glycedasticity method where if the sig value is > 0.05, it can be concluded that there are no symptoms of heteroscedasticity. According to the results of the heteroscedasticity test of the glacier model:

Table 4. Heteroscedasticity Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.377	1.007		1.367	.175
	pelayanan	-.022	.068	-.052	-.324	.747
	produk	.008	.038	.035	.219	.827

a. Dependent Variable: Abs_RES

Based on **Table 4**, it can be stated that the significance value of each variable is > 0.05, where the Islamic service quality variable (X1) is 0.747 > 0.005 and product quality (X2) is 0.827 > 0.005. Thus, it can be concluded that in this study there is no indication of heteroscedasticity in the regression model. The following is a heteroscedasticity test using a scatterplot:



Based on the scatterplot graph in the image above, it can be seen that the dots are scattered randomly, and are scattered both above and below the zero on the Y axis.

Multicollinearity Test

Table 5. Multicollinearity Test Results

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	pelayanan	.475	2.105
	produk	.475	2.105

a. Dependent Variable: loyalitas

Based on the **Table 5**, it is illustrated that the tolerance value for each free variable is 0.475 or > 0.100 and the VIF value is 2.105 or < 10.000. Thus, it can be concluded that no signs of multicollinearity occur in independent variables.

Partial test (t-test)

Table 6. Partial Test Results (t-test)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.100	.199		10.562	.000
	pelayanan	.306	.069	.437	4.450	.000
	produk	.226	.041	.546	5.561	.000

a. Dependent Variable: loyalitas

Based on **Table 6**, it is explained that the results of the multiple linear regression test in the table above the Islamic service quality variable (X1) have a sig value of 0.000 < 0.05 which means significant. Therefore, it can be concluded that Ho was rejected and Ha was accepted, so it can be concluded that there is a significant influence between the quality of Islamic services (X1) on the loyalty of members (Y). Meanwhile, the product quality variable (X2) has a sig value of 0.000 < 0.05 which means significant. It can therefore be concluded that Ho is rejected and Ha is accepted so that it can be concluded that there is a significant influence between the quality of the product (X2) on the loyalty of members (Y).

Test F

To find out the magnitude of the influence between simultaneous free variables on bound variables, it can be known from the magnitude of the value of R2 (determination coefficient). The determination coefficient (R2) test in this study was used to measure the model's ability to apply dependent variables or measure how much influence independent variables (Islamic service quality and product quality) on dependent variables (member loyalty).

Table 7. F Test Results

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5316.742	2	2658.371	1760.656	.000 ^b
	Residual	221.952	147	1.510		
	Total	5538.693	149			

a. Dependent Variable: loyalitas

b. Predictors: (Constant), produk, pelayanan

Based on the **Table 7**, it shows that the results of the F test were obtained, the F value of the calculation was obtained by the amount and the value of sig. 0.00 is less than the significance level ($\alpha = 0.05$) or ($0.00 < 0.05$). So it can be concluded that H_0 was rejected and H_a was accepted. So there is a significant influence between the quality of Islamic services and the quality of products on the loyalty of BMT UGT Nusantara members Capem Tegaldlimo.

Coefficient Determination Test

Table 8. Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.716 ^a	.512	.500	1.58412

a. Predictors: (Constant), produk, pelayanan

Based on **Table 8**, then the summary model obtained the results of R (Determinant Coefficient) of 0.716 and determination coefficient (R square) of 0.512, then it can be concluded that Islamic service quality and Product Quality have an effect of 51.2% on member loyalty at BMT UGT Nusantara Capem Tegaldlimo, while the remaining 48.8% is influenced by other variables unknown in this study.

The Effect of Islamic Service Quality on the Loyalty of BMT UGT Nusanta Members Capem Tegaldlimo

In this study, it was found that there was an influence between the quality of Islamic services (X1) and the loyalty of members (Y). The results of the multiple linear regression test showed that the regression coefficient of the Islamic service quality variable (X1) was positive and the results of the Ttest statistical test (partial test) showed a significance value of 0.000 smaller than 0.05, meaning that the quality of Islamic service (X1) had a significant effect on the Loyalty of Members (Y) KSPPS BMT UGT Nusantara Capem Tegaldlimo. This shows that the better the quality of Islamic services provided, the greater the sense of loyalty of members. So that hypothesis one (H1) which states that the Quality of Islamic Service has a positive and significant effect on the Loyalty of KSPPS BMT UGT Nusantara Members Capem Tegaldlimo can be accepted. The results of this study are relevant to previous research conducted by Nur Anim, et al. (2023) which stated that the quality of Islamic services has a positive and significant effect on customer loyalty. The results of this study are not in line with the research conducted by Nahdiya Asna (2023), which shows that the quality of Islamic services has no influence on customer loyalty.

The Effect of Sharia General Savings Product Quality on the Loyalty of BMT UGT Nusanta Capem Tegaldlimo Members

In this study, it was found that there was an influence between product quality (X2) and member loyalty (Y). The results of the multiple linear regression test showed that the regression coefficient of the product quality variable (X2) was positive and the results of the Ttest statistical test (partial test) showed a significance value of 0.000 smaller than 0.05, meaning that Product Quality (X2) had a significant effect on the Loyalty of Members (Y) KSPPS BMT UGT Nusantara Capem Tegaldlimo. This shows that the better the product quality provided, the more the sense of loyalty of members increases. So that hypothesis one (H1) which states that Product Quality has a positive and significant effect on the Loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo Members can be accepted. The results of this study are in line with research conducted by Nahdiya Asna (2023), Nur Anim, et al. (2023) which shows that the quality of Islamic services has no influence on member loyalty.

The Effect of Islamic Service Quality and Sharia General Savings Product Quality on the Loyalty of BMT UGT Nusanta Members Capem Tegaldlimo

In this study, it was found that there was an influence between the quality of Islamic service (X1) and product quality (X2) on member loyalty (Y). The results of the multiple linear regression test showed that the regression coefficient of the Islamic service quality variables (X1) and product quality (X2) was positive and the results of the statistical F test (simultaneous

test) showed a significance value of 0.000 smaller than 0.05, meaning that the quality of Islamic service (X1) and product quality (X2) had a significant effect on the loyalty of members (Y) KSPPS BMT UGT Nusantara Capem Tegaldlimo. This shows that the better the quality of Islamic services and the quality of the products provided, the greater the sense of loyalty of members. So that hypothesis one (H1) which states that Islamic Service Quality and Product Quality have a positive and significant effect on the Loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo Members can be accepted. The results of this study are relevant to previous research conducted by Nur Anim, et al. (2023) which stated that the quality of Islamic services has a positive and significant effect on customer loyalty.

4. CONCLUSIONS

Based on the results of the data analysis, it shows that: (1). There is an influence of Islamic service quality (X1) on the Loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo (Y) members who are positive and the sig value is $0.000 < 0.05$ which means significant. (2). There is an effect of product quality (X2) on the Loyalty of KSPPS BMT UGT Nusantara Capem Tegaldlimo (Y) members who are positive and the sig value is $0.000 < 0.05$ which means significant. (3). The quality of Islamic Service (X1) and product quality (X2) simultaneously had a positive and significant effect on the loyalty of members at KSPPS BMT UGT Nusantara Capem Tegaldlimo with a GIS value of $0.000 < 0.005$ (4). The quality of Islamic Service (X1) and product quality (X2) were determined to have a positive and significant effect on the loyalty of members at KSPPS BMT UGT Nusantara Capem Tegaldlimo 51.2%.

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