

KUALITAS LAYANAN DAN FASILITAS BANK SEBAGAI PENDORONG REPUTASI BANK DAN KEPUASAN NASABAH

Nadita Yulia¹, Rizaldi Putra², Teddy Chandra³, Ikas Miran^{4*}, Yutiandry Rivai⁵, Wan Muhamad Kudri⁶

^{1,2,3,4,5,6}Institut Bisnis dan Teknologi Pelita Indonesia

Email: ikas.miran@lecturer.pelitaindonesia.ac.id

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh kualitas pelayanan dan fasilitas bank terhadap reputasi bank serta kepuasan nasabah pada Perumda Bank BPR Rokan Hulu. Persaingan yang semakin ketat dalam industri perbankan mendorong bank untuk meningkatkan daya saing melalui penyediaan fasilitas yang memadai, penguatan reputasi, dan peningkatan kepuasan nasabah. Penelitian ini menggunakan pendekatan kuantitatif dengan metode Partial Least Squares–Structural Equation Modeling (PLS-SEM). Data diperoleh melalui penyebaran kuesioner kepada nasabah Perumda Bank BPR Rokan Hulu yang dipilih menggunakan teknik purposive sampling (325 responden). Variabel yang diteliti meliputi kualitas pelayanan, fasilitas bank, reputasi bank, dan kepuasan nasabah. Hasil penelitian menunjukkan bahwa kualitas pelayanan tidak berpengaruh signifikan terhadap reputasi bank maupun kepuasan nasabah. Sebaliknya, fasilitas bank berpengaruh positif dan signifikan terhadap reputasi bank serta kepuasan nasabah. Selain itu, reputasi bank terbukti berpengaruh positif dan signifikan terhadap kepuasan nasabah, serta menjadi faktor yang paling dominan dalam meningkatkan kepuasan nasabah. Temuan ini mengindikasikan bahwa peningkatan kualitas fasilitas dan penguatan reputasi bank merupakan strategi yang lebih efektif dalam meningkatkan kepuasan nasabah dibandingkan hanya berfokus pada peningkatan kualitas pelayanan. Penelitian ini memberikan kontribusi empiris terhadap pengembangan literatur pemasaran jasa dan manajemen perbankan, khususnya mengenai faktor-faktor yang memengaruhi reputasi bank dan kepuasan nasabah pada konteks bank perekonomian rakyat di Indonesia.

Kata Kunci: *Kualitas Pelayanan; Fasilitas Bank; Reputasi Bank; Kepuasan Nasabah*

SERVICE QUALITY AND BANK FACILITIES AS DRIVERS OF BANK REPUTATION AND CUSTOMER SATISFACTION

ABSTRACT

This study examines the effects of service quality and bank facilities on bank reputation and customer satisfaction at Perumda Bank BPR Rokan Hulu. As competition in the banking industry intensifies, regional rural banks are required to strengthen their competitiveness by improving service quality, enhancing banking facilities, and maintaining a positive reputation to achieve higher customer satisfaction. A quantitative research design was employed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach. Data were collected through questionnaires administered to customers of Perumda Bank BPR Rokan Hulu, and respondents were selected using purposive sampling (325 respondents). The study investigated four constructs: service quality, bank facilities, bank reputation, and customer satisfaction. The findings reveal that service quality has no significant effect on either bank reputation or customer satisfaction. In contrast, bank facilities have a positive and significant effect on both bank reputation and customer satisfaction. Furthermore, bank reputation significantly enhances customer satisfaction and emerges as the strongest predictor in the structural model. These findings suggest that improving banking facilities and strengthening institutional reputation are more effective strategies for increasing customer satisfaction than focusing solely on service quality. The study contributes to the banking and marketing literature by providing empirical evidence on the determinants of bank reputation and customer satisfaction in the context of regional rural banking in Indonesia.

Keywords: Service Quality; Bank Facilities; Bank Reputation; Customer Satisfaction

INTRODUCTION

In the era of globalization, rapid developments have transformed various sectors worldwide, including the banking industry in Indonesia. The Indonesian banking sector has experienced substantial growth, characterized by continuous improvements in product diversification, service quality, and technological innovation. As a fundamental component of the financial system, the banking industry plays a vital role in supporting economic growth and business activities in both developed and developing countries. Consequently, banks are required to continuously adapt to the evolving business environment while maintaining their competitiveness.

The increasingly competitive banking landscape has significantly reshaped the industry's operating environment. This transformation has been driven by rising customer expectations for high-quality financial services, rapid technological advancements, and the emergence of new competitors, including both conventional banking institutions and non-bank financial service providers. These developments have intensified competition, compelling banks to formulate effective business strategies to retain existing customers while attracting new ones. As a result, banking institutions are expected to strengthen their organizational capabilities, enhance service performance, and develop innovative strategies to sustain long-term competitive advantages.

To remain competitive, every banking institution must establish distinctive competitive advantages through creativity, continuous innovation, and organizational flexibility. Competitive business models should not only focus on delivering superior products and services but also respond effectively to changing customer preferences and technological developments. In Indonesia, the development of the banking industry has been supported by the implementation of the Indonesian Banking Architecture (*Arsitektur Perbankan Indonesia/API*), which promotes the coexistence of conventional and Islamic banking systems. This dual banking system provides customers with broader financial service alternatives while fostering a more resilient and inclusive banking sector.

Islamic banking, which operates based on profit-and-loss sharing principles, has become an important component of Indonesia's financial system. Unlike conventional banking, Islamic banking emphasizes ethical business practices, transparency, fairness, and socially responsible investment while prohibiting speculative financial transactions. These principles encourage trust, strengthen social cohesion, and promote sustainable economic development. Consequently, the coexistence of conventional and Islamic banking systems has enriched Indonesia's financial landscape by providing customers with diverse banking options that accommodate different financial needs and values.

Rural Banks (*Bank Perekonomian Rakyat/BPR*) are specialized banking institutions whose operational scope is more limited than that of commercial banks. Despite these limitations, BPRs face increasing pressure to deliver high levels of customer satisfaction in order to expand their market reach and maintain long-term customer relationships. Their primary mission is to support national economic development by promoting equitable economic growth, financial inclusion, and national economic stability, ultimately contributing to improved public welfare.

BPRs primarily serve communities that have limited access to commercial banking services, including farmers, livestock breeders, fishermen, small-scale traders, micro and small business owners, salaried employees, and retirees. Beyond providing financial services, these institutions play a strategic role in supporting local government poverty alleviation programs, promoting job creation, stimulating regional economic development, and empowering women through access to business financing (Syukkur & Sudarwanto, 2021).

Customers evaluate various factors when selecting a banking institution to manage their financial assets. While some customers prioritize attractive interest rates and the security of their deposits, others place greater importance on fast, convenient, and reliable banking services. These diverse customer expectations require banks to continuously improve their service quality in order to enhance customer satisfaction and strengthen long-term relationships.

The growing importance of customer satisfaction is reflected in the increasing number of Rural Banks established across Indonesia, as well as the strategic expansion of commercial banks through the establishment of BPR subsidiaries or the conversion of conventional banking operations into rural banking institutions. This trend became particularly evident during periods of economic uncertainty, when BPRs demonstrated their ability to serve local communities and micro-enterprises effectively. As competition within the banking industry continues to intensify, banking institutions are increasingly striving to attract and retain customers by improving service quality, enhancing organizational performance, and delivering greater value through customer-oriented strategies.

Recent studies have emphasized that customer loyalty is strongly influenced by various service-related factors beyond service quality itself. According to Septiana et al. (2021), banking institutions need to develop a comprehensive understanding of customer loyalty by considering factors such as switching costs, customer trust, corporate image, and customer satisfaction. Understanding these determinants enables banks to establish long-term relationships with customers and strengthen their competitive position in the financial services industry.

Bank reputation represents the extent to which the public perceives a bank as trustworthy, reliable, and professionally managed. A favorable reputation is shaped by multiple organizational attributes, including

financial performance, managerial competence, product diversity, service quality, regulatory compliance, and institutional credibility. Consistent with this perspective, Mujaddid (2019) found that bank reputation has a positive and significant influence on customers' decisions when selecting a banking institution.

Customer satisfaction is generally defined as the degree to which customers perceive that a product or service meets or exceeds their expectations (Hidayat et al., 2023). Satisfaction plays a critical role in determining whether customers will continue using a bank's services or switch to competing financial institutions. It is shaped by several dimensions of service quality, including tangible aspects, reliability, responsiveness, assurance, and empathy. Tangible elements refer to the physical appearance of facilities and equipment, while reliability reflects the bank's ability to provide dependable and accurate services. Responsiveness represents employees' willingness to assist customers promptly, assurance relates to employees' competence and ability to inspire trust, and empathy reflects personalized attention to customers' individual needs. Collectively, these dimensions contribute to customers' emotional comfort, trust, and long-term loyalty. Nevertheless, customer satisfaction also depends on the quality of banking products and services, as positive service experiences may be undermined if the products offered fail to meet customer expectations.

Bank facilities constitute another important determinant of customer perceptions and satisfaction. Syukkur & Sudarwanto (2021) defined facilities as all physical and non-physical resources that facilitate organizational activities and improve service efficiency. In the banking context, facilities include office infrastructure, banking equipment, ATM networks, digital banking platforms, waiting areas, parking spaces, and other supporting resources that enhance customer convenience. Adequate facilities enable banking services to be delivered more efficiently while reducing customers' time, effort, and transaction costs. As competition intensifies, banks are increasingly required to improve both service quality and supporting facilities while continuously introducing innovations that enhance customer experiences and strengthen customer loyalty.

Previous empirical studies have reported inconsistent findings regarding the relationships among the variables investigated in this study. Sari et al. (2021) found that service quality significantly influences bank reputation, whereas Sarikusumaningtyas & Prayetno (2023) reported no significant relationship between the two variables. Similarly, Warouw (2021) demonstrated that service quality positively affects customer satisfaction, while Muslimin (2022) found no significant effect. Regarding bank facilities, Nawangasari & Putri (2020) reported a significant positive effect on bank reputation, whereas Pambudi (2022) concluded that bank facilities do not significantly influence reputation. Likewise, Syukkur & Sudarwanto (2022) found that bank facilities significantly improve customer satisfaction, while Muhtadi et al. (2020) reported insignificant results. Finally, Susanti (2023) revealed that bank reputation significantly enhances customer satisfaction, whereas Triandewo (2020) found no significant relationship. These inconsistent findings indicate the existence of research gaps that warrant further investigation, particularly within the context of Regional Rural Banks (BPRs) in Indonesia.

In practice, customers consider multiple factors when choosing a banking institution. Some customers prioritize competitive interest rates and the security of their deposits, whereas others value fast, convenient, and easily accessible banking services. Additional considerations include the bank's reputation, product diversity, technological capabilities, service excellence, promotional incentives, transaction security, institutional prestige, and employees' personalized attention. Given these diverse customer preferences, understanding the determinants of bank reputation and customer satisfaction has become increasingly important. Therefore, this study aims to examine the effects of service quality and bank facilities on bank reputation and customer satisfaction at Perumda Bank BPR Rokan Hulu.

LITERATURE REVIEW

Service Quality

Service quality has long been recognized as one of the most important determinants of organizational success in the service industry. Parasuraman et al. (1985) conceptualized quality as the principle of *zero defects*, emphasizing that services should be delivered correctly the first time and consistently meet customer expectations. From this perspective, quality reflects an organization's ability to conform to predetermined standards while minimizing service failures throughout the service delivery process. Internal quality failures occur before services are delivered to customers, whereas external failures arise after customers experience the service. Therefore, maintaining high service quality requires organizations to continuously improve operational processes to reduce errors and enhance customer experiences.

In the banking industry, service quality refers to the bank's ability to provide reliable, responsive, and customer-oriented services that meet or exceed customers' expectations. The SERVQUAL model proposed by Parasuraman et al. (1988) identifies five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. These dimensions collectively represent customers' perceptions of the overall quality of banking services and are widely used to evaluate service performance in financial institutions.

Bank Facilities

Bank facilities refer to the physical and technological resources intentionally provided by banking institutions to support service delivery and enhance customer convenience. According to Supraptini & Supriyadi (2020), facilities encompass all physical equipment and supporting infrastructure designed to improve customers' comfort and satisfaction while accessing banking services. These facilities include branch offices, waiting areas, parking spaces, digital banking platforms, information systems, and other supporting amenities that facilitate banking transactions.

Adequate banking facilities contribute significantly to service efficiency by reducing customers' time, effort, and transaction costs. Modern banking increasingly relies on technological infrastructure to provide fast, convenient, and accessible services. Consequently, investment in high-quality facilities has become an essential strategy for improving customer experiences, strengthening organizational competitiveness, and increasing customer satisfaction.

Bank Reputation

Bank reputation represents stakeholders' overall evaluation of a bank's credibility, trustworthiness, and organizational performance accumulated over time. According to Zahra & Darwanto (2019), corporate reputation plays a crucial role in supporting marketing activities because it reflects customers' perceptions of the organization's brand image, corporate image, service quality, credibility, and commitment to customer satisfaction. A favorable reputation enhances public confidence and encourages customers to establish long-term relationships with the bank.

Bank reputation is developed through consistent organizational performance, ethical business practices, financial stability, regulatory compliance, and transparent communication with stakeholders. Banks with strong reputations are generally perceived as more reliable and capable of protecting customers' financial assets, thereby creating sustainable competitive advantages in the increasingly competitive banking industry.

Customer Satisfaction

Customer satisfaction refers to customers' overall evaluation of whether a product or service has fulfilled or exceeded their expectations. According to Kotler & Keller, customer satisfaction reflects the degree of pleasure or disappointment experienced after comparing the perceived performance of a product or service with prior expectations. When perceived performance exceeds expectations, customers are likely to experience high satisfaction; conversely, dissatisfaction occurs when actual performance falls below expectations.

In the banking sector, customer satisfaction is influenced by multiple factors, including service quality, banking facilities, organizational reputation, product quality, convenience, and transaction security. Satisfied customers are more likely to maintain long-term relationships with the bank, recommend its services to others, and demonstrate stronger loyalty, making customer satisfaction a key indicator of organizational performance and sustainable business success.

Hypothesis Development**Service Quality and Bank Reputation**

Service quality is widely recognized as a strategic resource that enables banks to build strong relationships with customers and enhance their corporate image. High-quality service reflects an organization's professionalism, integrity, reliability, and commitment to meeting customer expectations. When customers consistently receive excellent service experiences, they are more likely to develop favorable perceptions of the bank, thereby strengthening its reputation. Consequently, service quality is considered an essential determinant of a bank's long-term reputation.

Previous empirical studies have reported inconsistent findings regarding this relationship. Sari et al. (2021) found that service quality significantly improves bank reputation, suggesting that superior service contributes to a more favorable corporate image. In contrast, Sarikusumaningtyas & Prayetno (2023) reported that service quality does not significantly influence bank reputation, indicating that reputation may also be shaped by other organizational factors such as corporate credibility, financial performance, and customer trust.

H1: Service quality has a positive effect on bank reputation.

Service Quality and Customer Satisfaction

Service quality has long been regarded as one of the primary determinants of customer satisfaction in the banking industry. Banks that provide reliable, responsive, and customer-oriented services are more likely to satisfy customers by meeting or exceeding their expectations. Consistently delivering high-quality services not only enhances customers' banking experiences but also encourages long-term relationships with the institution.

Empirical evidence, however, remains inconclusive. Warouw (2021) reported that service quality has a significant positive effect on customer satisfaction, whereas Muslimin (2022) found no significant relationship

between these variables. These inconsistent findings suggest that customer satisfaction may also depend on other factors, including banking facilities, perceived value, and organizational reputation.

H2: Service quality has a positive effect on customer satisfaction.

Bank Facilities and Bank Reputation

Bank facilities constitute an important component of service delivery because they directly influence customers' perceptions of service quality and organizational professionalism. Adequate physical infrastructure and technological facilities improve customer convenience, operational efficiency, and overall banking experiences, which can positively shape public perceptions of the bank.

Previous studies have produced mixed results. Nawangasari & Putri (2020) found that bank facilities significantly enhance bank reputation, indicating that well-maintained facilities strengthen customers' confidence in the institution. Conversely, Pambudi (2022) reported that bank facilities do not significantly affect bank reputation, suggesting that organizational reputation may be influenced more strongly by non-physical factors such as corporate governance and financial performance.

H3: Bank facilities have a positive effect on bank reputation.

Bank Facilities and Customer Satisfaction

The availability of adequate banking facilities enables customers to perform banking transactions more efficiently, comfortably, and conveniently. Modern banking facilities including branch infrastructure, ATM networks, parking areas, waiting rooms, and digital banking services play an essential role in improving customers' overall service experiences. Therefore, investment in banking facilities is expected to contribute positively to customer satisfaction.

Previous empirical findings remain inconsistent. Syukkur (2022) demonstrated that bank facilities significantly improve customer satisfaction, whereas Muhtadi et al. (2020) found no significant relationship between these variables. These conflicting findings indicate that the influence of bank facilities may vary across different banking environments and customer characteristics.

H4: Bank facilities have a positive effect on customer satisfaction.

Bank Reputation and Customer Satisfaction

Bank reputation reflects customers' overall perceptions of the bank's credibility, reliability, integrity, and social responsibility. A favorable reputation strengthens customer confidence, reduces perceived risk, and encourages customers to maintain long-term relationships with the bank. Consequently, customers who perceive a bank as trustworthy and professionally managed are more likely to experience higher levels of satisfaction.

Previous studies generally support this relationship. Susanti (2023) found that bank reputation significantly enhances customer satisfaction. However, Triandewo (2020) reported that bank reputation does not significantly affect customer satisfaction, indicating that satisfaction may also depend on customers' direct service experiences and perceived value.

H5: Bank reputation has a positive effect on customer satisfaction.

Conceptual Framework

Based on the review of the relevant literature and the development of the research hypotheses, a conceptual framework was developed to illustrate the proposed relationships among the study variables. As shown in Figure 1, the model proposes that service quality and bank facilities directly influence bank reputation and customer satisfaction. In addition, bank reputation is hypothesized to have a direct effect on customer satisfaction. This conceptual framework serves as the foundation for examining the structural relationships among the variables using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach.

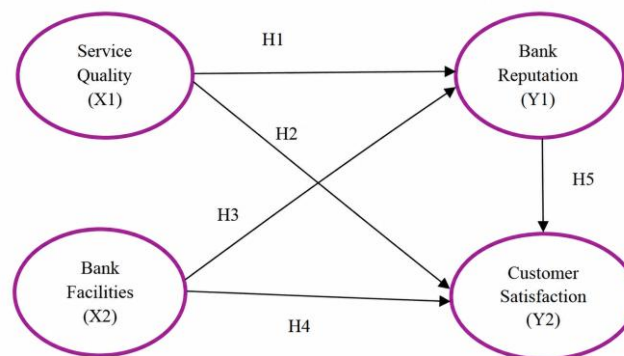


Figure 1. Conceptual Framework

RESEARCH METHOD

Research Design

This study employed a quantitative research design to examine the relationships among service quality, bank facilities, bank reputation, and customer satisfaction. A quantitative approach was considered appropriate because it enables the empirical testing of hypotheses using numerical data and statistical analysis. The study utilized both primary and secondary data sources. Primary data were collected through structured questionnaires administered to customers of Perumda Bank BPR Rokan Hulu, while secondary data were obtained from relevant literature, including books, scientific journals, and previous empirical studies that support the research framework and hypothesis development.

Population and Sample

The population of this study comprised all customers of Perumda Bank BPR Rokan Hulu, totaling 1,731 customers. According to Syarifuddin et al. (2021), a population refers to the entire group of individuals or objects possessing specific characteristics relevant to a research study. Because it was impractical to survey the entire population, a representative sample was selected.

The sample size was determined using the Slovin formula, resulting in a total of 325 respondents. Respondents were selected using a purposive sampling technique, whereby only customers who met predetermined criteria were included in the study. This sampling approach ensured that participants possessed sufficient experience with the bank's services to provide reliable evaluations of the research variables.

Data Collection

Primary data were collected using a structured questionnaire consisting of measurement items for service quality, bank facilities, bank reputation, and customer satisfaction. Responses were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Secondary data were collected from academic publications, books, and other relevant documents to support the theoretical framework and interpretation of the findings.

Data Analysis

This study employed Structural Equation Modeling (SEM) using the Partial Least Squares (PLS-SEM) approach to test the proposed research model. PLS-SEM was selected because it is suitable for predictive research models involving multiple latent constructs and complex relationships among variables. The analysis was conducted using SmartPLS software. The analytical procedure consisted of two stages. The first stage involved evaluating the measurement model (outer model) by assessing indicator reliability, internal consistency reliability, convergent validity, and discriminant validity. The second stage involved evaluating the structural model (inner model) by examining the coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and hypothesis testing using the bootstrapping procedure. A hypothesis was considered statistically significant when the t-statistic exceeded 1.96 and the p-value was less than 0.05, indicating significance at the 5% level.

Results And Discussion

Descriptive Analysis

Descriptive analysis was conducted to provide an overview of the characteristics of the collected data before proceeding with inferential statistical analysis. This analysis aims to summarize respondents' demographic profiles and describe the distribution of the research variables, thereby facilitating a better understanding of the sample characteristics.

The respondents' profiles were analyzed based on several demographic attributes, including gender, age, educational background, occupation, and monthly income. These characteristics provide important contextual information regarding the composition of the sample and help assess whether the respondents adequately represent the target population of Perumda Bank BPR Rokan Hulu customers. The descriptive analysis also serves as a preliminary step in interpreting the subsequent findings obtained from the structural model analysis.

Respondent Characteristics

A total of 325 respondents participated in this study, demographic characteristics of the respondents based on gender, age, educational attainment, occupation, and monthly income. The gender distribution indicates that 57.5% of the respondents were male, while 42.5% were female, suggesting that male customers constituted the majority of the study participants. Regarding age, the largest proportion of respondents (31.7%) was between 35 and 44 years old, followed by those aged 25–34 years (25.2%) and 45–54 years (22.1%). Respondents aged over 54 years accounted for 13.6%, whereas customers under 25 years old represented only 7.4% of the sample. These findings indicate that the majority of the bank's customers are within the productive working-age population.

In terms of educational attainment, respondents with a senior high school education represented the largest group (46.5%), followed by those holding a bachelor's degree (22.5%), diploma degree (15.0%), junior high school education (11.5%), and master's degree (4.5%). This distribution suggests that most customers possess a moderate educational background. Based on occupation, self-employed individuals constituted the largest proportion of respondents (33.2%), followed by private-sector employees (29.8%), civil servants (17.8%), other occupations (10.2%), and farmers or livestock breeders (9.0%). This profile reflects the important role of Perumda Bank BPR Rokan Hulu in serving entrepreneurs and the productive economic sector.

Regarding monthly income, the largest proportion of respondents (32.0%) earned between IDR 3,000,000 and IDR 4,999,999 per month. This was followed by respondents earning IDR 1,500,000–2,999,999 (29.5%), more than IDR 5,000,000 (25.5%), and less than IDR 1,500,000 (13.0%). These findings indicate that most respondents belong to the middle-income group, which represents one of the primary customer segments of Perumda Bank BPR Rokan Hulu.

Descriptive Analysis of Research Variables

All research variables obtained mean scores above 3.90, indicating that respondents generally held favorable perceptions of the banking services provided by Perumda Bank BPR Rokan Hulu. Among the four variables, service quality recorded the highest mean score (4.11), suggesting that customers generally perceived the quality of services provided by the bank to be satisfactory. Bank reputation and customer satisfaction each achieved a mean score of 4.06, indicating that respondents viewed the bank as trustworthy and expressed a relatively high level of satisfaction with its services. Meanwhile, bank facilities obtained a mean score of 3.98, which also falls within the "good" category, implying that the physical and supporting facilities generally met customers' expectations, although there remains room for further improvement.

Overall, these findings indicate that customers have positive perceptions of the bank's service quality, facilities, reputation, and overall satisfaction. Such favorable evaluations provide an encouraging basis for further analysis of the structural relationships among the study variables using the PLS-SEM approach.

Construct Validity and Reliability Assessment

The next stage of the analysis involved evaluating the measurement model by assessing the validity and reliability of the latent constructs. Construct reliability reflects the degree to which the indicators consistently measure their respective latent variables. In this study, construct reliability was assessed using Composite Reliability (CR)***, while convergent validity was evaluated using the Average Variance Extracted (AVE).

A construct is considered to demonstrate satisfactory internal consistency when the Composite Reliability (CR) value is 0.70 or higher, indicating that the measurement items consistently represent the underlying construct. Convergent validity is considered adequate when the Average Variance Extracted (AVE) exceeds 0.50, indicating that the construct explains more than 50% of the variance in its indicators.

The results of the construct reliability and convergent validity assessment are presented in Table 2.

Table 2. Construct Reliability and Convergent Validity

Variable	Composite Reliability	Average Variance Extracted (AVE)
Service Quality	0.918	0.692
Bank Facility	0.871	0.693
Bank Reputation	0.912	0.676
Customer Satisfaction	0.940	0.662

Source: Processed Data (2025)

Based on the results of the measurement model evaluation, all constructs demonstrated satisfactory levels of validity and reliability. The findings indicate that all observed indicators are valid measures of their respective latent constructs and exhibit adequate internal consistency reliability. Specifically, the values of Composite Reliability (CR) exceeded the recommended threshold of 0.70, while the Average Variance Extracted (AVE) values were greater than 0.50, confirming acceptable convergent validity. Therefore, all measurement indicators were considered reliable and appropriate for representing the exogenous and endogenous constructs in the structural model, allowing the analysis to proceed to the evaluation of the structural relationships among the research variables.

Validity and Reliability Test

The validity test was conducted to determine whether each questionnaire item accurately measured the intended construct. An item was considered valid if its Corrected Item–Total Correlation (CITC) value was 0.30 or higher, indicating that the item had an acceptable correlation with the overall construct. Questionnaire items with CITC

values below 0.30 were considered inadequate and should be excluded from further analysis. The results of the validity test for all measurement items are presented in Table 1.

Table 1. Result of Validity and Reliability Test

Variable	Items	CITC
Service Quality	X1.1	0,753
	X1.2	0,757
	X1.3	0,755
	X1.4	0,756
	X1.5	0,754
	X1.6	0,761
	X1.7	0,755
	X1.8	0,754
	X1.9	0,756
	X1.10	0,754
Cronbach Alpha		0,777
Bank Facility	X2.1	0,768
	X2.2	0,758
	X2.3	0,759
	X2.4	0,756
	X2.5	0,764
	X2.6	0,757
	X2.7	0,76
	X2.8	0,758
	X2.9	0,758
	X2.10	0,758
Cronbach Alpha		0,781
Bank Reputation	Y1.1	0,732
	Y1.2	0,735
	Y1.3	0,732
	Y1.4	0,734
	Y1.5	0,733
	Y1.6	0,740
	Y1.7	0,741
	Y1.8	0,740
	Y1.9	0,735
	Y1.10	0,737
	Y1.11	0,735
	Y1.12	0,732
	Y1.13	0,735
	Y1.14	0,732
Cronbach Alpha		0,751
Customer Satisfaction	Y2.1	0,794
	Y2.2	0,76
	Y2.3	0,751
	Y2.4	0,769
	Y2.5	0,774
	Y2.6	0,752
Cronbach Alpha		0,794

Source: Processed Data (2025)

Based on Table 1, all measurement items for the Customer Satisfaction construct exhibited corrected item-total correlation values greater than 0.30, indicating that each item met the required validity criterion. In addition, the Cronbach's alpha coefficient exceeded the recommended threshold of 0.60, demonstrating satisfactory internal consistency reliability. Therefore, all indicators measuring the Customer Satisfaction construct (Y2) were considered valid and reliable, making them suitable for subsequent statistical analyses.

Coefficient of Determination (R^2) Analysis

The coefficient of determination (R^2) was assessed to evaluate the explanatory power of the structural model. The R^2 value indicates the proportion of variance in each endogenous construct that can be explained by its corresponding exogenous variables. In this study, the explanatory power of the model was evaluated using the adjusted R^2 , which provides a more accurate estimate by accounting for the number of predictors included in the model.

According to Hair et al. (2022), adjusted R^2 values of approximately 0.75, 0.50, and 0.25 indicate substantial, moderate, and weak explanatory power, respectively. Therefore, higher adjusted R^2 values suggest that the proposed structural model has greater capability to explain variations in the endogenous variables. The results of the coefficient of determination analysis are presented in Table 3.

Table 3. Coefficient of Determination (R^2)

Variable	R Square	R Square Adjusted
Bank Reputation	0.410	0.400
Customer Satisfaction	0.751	0.745

Source: Processed Data (2025)

Based on the results presented in Table 3, the adjusted R^2 value for Bank Reputation is 0.400, indicating that 40.0% of the variance in bank reputation is explained by service quality and bank facilities. The remaining 60.0% of the variance is attributable to other factors that were not included in the proposed research model.

Meanwhile, the adjusted R^2 value for Customer Satisfaction is 0.745, indicating that 74.5% of the variance in customer satisfaction is explained by service quality, bank facilities, and bank reputation. The remaining 25.5% is explained by other variables beyond the scope of this study.

These findings suggest that the structural model has moderate explanatory power for Bank Reputation and substantial explanatory power for Customer Satisfaction. This indicates that the proposed model is more effective in explaining variations in customer satisfaction than in bank reputation, highlighting the important roles of service quality, bank facilities, and bank reputation in shaping customer satisfaction at Perumda Bank BPR Rokan Hulu.

Effect Size (f^2)

The effect size (f^2) was assessed to determine the contribution of each exogenous construct to the explanatory power of the structural model. Specifically, the f^2 statistic measures the extent to which an exogenous variable contributes to the coefficient of determination (R^2) of an endogenous construct when compared with a model in which the predictor is excluded.

According to Hair et al. (2022), f^2 values of 0.02, 0.15, and 0.35 indicate small, medium, and large effect sizes, respectively. Therefore, the effect size analysis provides additional insight into the relative importance of each predictor variable in explaining the endogenous constructs. The results of the f^2 analysis are presented in Table 4.

Table 4. Effect Size

Variabel	F^2
Service Quality → Bank Reputation	0.002
Service Quality → Customer Satisfaction	0.000
Bank Facility → Bank Reputation	0.173
Bank Facility → Customer Satisfaction	0.079
Bank Reputation → Customer Satisfaction	0.926

Source: Processed Data (2025)

Based on the f^2 values presented in Table 4, service quality has negligible effects on both bank reputation ($f^2 = 0.002$) and customer satisfaction ($f^2 = 0.000$). In contrast, bank facilities exert a moderate effect on bank reputation ($f^2 = 0.173$) and a small effect on customer satisfaction ($f^2 = 0.079$). Meanwhile, bank reputation has a large effect on customer satisfaction ($f^2 = 0.926$), indicating that it is the most influential predictor in the structural model. Overall, these findings suggest that bank reputation is the dominant factor in enhancing customer satisfaction, while bank facilities contribute primarily to strengthening bank reputation. Conversely, service quality has little to no practical effect on either bank reputation or customer satisfaction.

Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping procedure in PLS-SEM. Bootstrapping is a non-parametric resampling technique used to estimate the significance of the structural path coefficients by generating t-statistics and p-values. A hypothesis is considered supported when the t-statistic exceeds 1.96 and

the p-value is less than 0.05, indicating statistical significance at the 5% level. The results of the hypothesis testing are presented in Table 5.

Table 5. Hypothesis Test Result

Hypothesis	Hypothesis Description	Original Sample (O)	T Statistics (O/STDEV)	P Values	Result	Conclusion
H ₁	Service Quality → Bank Reputation	-0.081	0.469	0.639	Not Significant	Not Supported
H ₂	Service Quality → Customer Satisfaction	-0.019	0.146	0.884	Not Significant	Not Supported
H ₃	Bank Facility → Bank Reputation	0.712	4.092	0	Significant	Supported
H ₄	Bank Facility → Customer Satisfaction	0.338	2.182	0.029	Significant	Supported
H ₅	Bank Reputation → Customer Satisfaction	0.625	10.662	0	Significant	Supported

Source: Processed Data (2025)

Discussion

The Effect of Service Quality on Bank Reputation

The results indicate that service quality does not have a significant effect on bank reputation. This finding suggests that improvements in service quality alone are insufficient to enhance customers' perceptions of the bank's reputation. Although respondents generally perceived the quality of service to be satisfactory, this perception was not strong enough to shape the bank's overall reputation. In the context of Perumda Bank BPR Rokan Hulu, customers may evaluate the bank's reputation based on broader organizational attributes, including financial stability, institutional credibility, corporate image, technological capability, and social responsibility, rather than solely on frontline service quality.

From the descriptive analysis, the assurance dimension received the lowest average score among the service quality indicators. This implies that customers still have concerns regarding employee competence, reliability, and the security of banking transactions. Consequently, enhancing employees' professionalism, communication skills, and service consistency is essential for strengthening customers' trust and improving the bank's reputation.

This finding is consistent with the study by Mujaddid (2019), which reported that service quality is not the only determinant of corporate reputation, as reputation is also influenced by organizational credibility and public trust. Similarly, Nawangasari & Putri (2020) found that customers' perceptions of a bank's image are shaped by various organizational factors beyond service interactions. However, this result contradicts the findings of Pambudi & Soliha (2021), who concluded that service quality significantly enhances bank image and customer trust, ultimately strengthening bank reputation. Likewise et al. (2019) demonstrated that high-quality service contributes positively to corporate image and customer loyalty.

The Effect of Service Quality on Customer Satisfaction

The findings reveal that service quality does not significantly influence customer satisfaction. This result indicates that customers' satisfaction with Perumda Bank BPR Rokan Hulu is influenced more by factors other than service quality. Although respondents rated the tangible aspect of service positively, this dimension alone was insufficient to increase customer satisfaction significantly.

One possible explanation is that customers place greater emphasis on banking facilities, convenience, digital services, accessibility, and transaction efficiency than on interpersonal service quality. As banking services continue to evolve toward digitalization, customers increasingly expect fast, practical, and technology-based services, reducing the relative importance of traditional service interactions.

This finding supports the argument that customer satisfaction is multidimensional and cannot always be explained solely by service quality. The results are consistent with Muhtadi et al. (2020), who suggested that product value and banking facilities may have stronger effects on customer satisfaction than service quality in certain banking contexts. However, the finding contradicts numerous previous studies. Afan Zaini (2022) concluded that service quality significantly improves customer satisfaction. Likewise, Syukkur & Sudarwanto (2021), as well as Septiana et al. (2021), found that better service quality leads to higher customer satisfaction and loyalty. The inconsistency may be attributed to differences in customer characteristics, banking types, service delivery systems, and regional contexts.

The Effect of Bank Facilities on Bank Reputation

The results demonstrate that bank facilities have a significant positive effect on bank reputation. This finding indicates that customers perceive modern, accessible, and well-maintained banking facilities as an important reflection of institutional quality. Therefore, improvements in physical and technological facilities contribute positively to strengthening the bank's reputation.

The descriptive analysis shows that respondents positively evaluated the bank's facilities, indicating that existing infrastructure generally meets customer expectations. Nevertheless, continuous investment in digital banking, ATM networks, branch modernization, and customer convenience remains essential for maintaining a favorable reputation.

This finding is supported by Supraptini and Supriyadi (2020), who found that high-quality facilities significantly improve customers' perceptions of service organizations. Likewise, Muhtadi et al. (2020) reported that banking facilities positively influence customers' evaluations of financial institutions.

Conversely, some studies have suggested that organizational reputation is influenced more strongly by corporate governance, financial performance, and corporate communication than by physical facilities alone, indicating that facilities are only one component of reputation formation.

The Effect of Bank Facilities on Customer Satisfaction

The empirical results confirm that bank facilities significantly improve customer satisfaction. Customers perceive adequate physical infrastructure, comfortable service environments, and convenient banking technology as valuable attributes that enhance their overall banking experience.

As digital transformation becomes increasingly important in the banking industry, customers expect efficient banking applications, reliable ATM services, comfortable waiting areas, and accessible branch locations. Consequently, investment in banking facilities directly contributes to customer satisfaction.

This finding is consistent with Syukkur & Sudarwanto (2021), who found that banking facilities significantly influence customer satisfaction. Similarly, Muhtadi et al. (2020) and Supraptini & Supriyadi (2020) concluded that comfortable and adequate facilities enhance customers' service experiences and satisfaction. Nevertheless, several studies argue that customer satisfaction is determined primarily by perceived value, pricing, and service quality, suggesting that facilities alone may not guarantee higher satisfaction across different service industries.

The Effect of Bank Reputation on Customer Satisfaction

The findings indicate that bank reputation has a significant positive effect on customer satisfaction and represents the strongest relationship in the structural model. Customers tend to experience greater satisfaction when they perceive the bank as trustworthy, credible, socially responsible, and professionally managed.

The descriptive analysis reveals that the social responsibility indicator received one of the highest evaluations, suggesting that customers appreciate the bank's contribution to society. This reinforces the notion that corporate reputation extends beyond financial performance and includes ethical behavior, transparency, and community engagement. The strong influence of bank reputation is also supported by the large effect size, indicating that reputation is the dominant determinant of customer satisfaction in this study.

These findings are consistent with Nawangasari & Putri (2020), who reported that bank image significantly influences customer satisfaction through increased trust. Likewise, Pambudi and Soliha (2021) found that a positive bank image contributes directly to customer satisfaction and loyalty. In contrast, some previous studies have reported that reputation has only an indirect influence on customer satisfaction through mediating variables such as customer trust or perceived value. These differences may arise from variations in research settings, customer demographics, and institutional characteristics.

CONCLUSION

This study examined the effects of service quality and bank facilities on bank reputation and customer satisfaction at Perumda Bank BPR Rokan Hulu. The findings reveal that service quality does not have a significant effect on either bank reputation or customer satisfaction. These results suggest that improvements in service quality alone are insufficient to enhance customers' perceptions of the bank or increase their satisfaction. Other factors, such as corporate reputation, banking products, pricing strategies, digital services, and external environmental conditions, may play a more substantial role in shaping customer perceptions.

In contrast, bank facilities have significant positive effects on both bank reputation and customer satisfaction. Adequate physical and technological facilities improve customers' banking experiences and strengthen the bank's corporate image. Furthermore, bank reputation significantly influences customer satisfaction and exhibits the largest effect size among all structural relationships, indicating that reputation is the most influential determinant of customer satisfaction in this study.

Overall, the findings demonstrate that bank reputation and bank facilities are the primary drivers of customer satisfaction, whereas service quality does not significantly contribute to the proposed structural model. These results highlight the strategic importance of strengthening institutional reputation and continuously improving banking facilities to enhance customer satisfaction.

From a practical perspective, Perumda Bank BPR Rokan Hulu should prioritize investments in modern banking facilities, digital banking services, and initiatives that strengthen public trust and corporate reputation. Although service quality was not found to be statistically significant, continuous improvements in employee competence, responsiveness, and professionalism remain essential to maintaining positive customer experiences and supporting long-term organizational performance.

This study is subject to several limitations. The research focused on a single regional rural bank and examined only four variables, which may limit the generalizability of the findings. Future studies are therefore encouraged to include additional determinants of customer satisfaction and bank reputation, such as digital banking quality, perceived value, customer trust, pricing, product innovation, and customer loyalty, while expanding the research to different banking institutions and geographical regions to improve the robustness and generalizability of the results.

REFERENCES

- Adi, P. R. N. C., & Basuki, R. (2019). *Pengaruh Citra Merek Dan Kualitas Layanan Terhadap Kepuasan Nasabah Dan Loyalitas Di Bank Jatim Syariah Surabaya*. 3(87), 152–165.
- Afan Zaini, A. (2022). *Pengaruh Kualitas Pelayanan Terhadap Kepuasan Nasabah (Studi Pada Nasabah “Warung Bek Mu 2” Banjaranyar Paciran Lamongan)*. *Pemasaran Jasa*, 1(1), 15.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A primer on partial least squares structural equation modeling (PLS-SEM)* (3rd ed.). Sage Publications.
- Hidayat, F., Riono, B., Kristiana, A., & Dewi, I. (2023). *Pengaruh Kualitas Pelayanan Dan Inovasi Produk Terhadap Kepuasan Pelanggan Untuk Meningkatkan Loyalitas Pelanggan*. *Jecmer: Journal Of Economic, Management And Entrepreneurship Research*, 1(3), 214–231.
- Kotler, P., & Keller, K. L. (2022). *Marketing management* (3rd ed.). Yogyakarta: Gramedia. Pustaka Utama
- Mujaddid, F. P. T. A. N. (2019). *Pengaruh_Pengetahuan_Reputasi_Lingkungan*. *Jurnal Ekonomi Islam*, 10, 14–37.
- Muhtadi, M. F., Rahmawati, E., & Utomo, S. (2020). *Pengaruh Kualitas Pelayanan, Nilai Produk Dan Fasilitas Terhadap Kepuasan Nasabah (Studi Pada Nasabah Tabungan Mudharabah Al Barakah Di Bank Kalsel Kantor Cabang Syariah Banjarmasin)*. *Jurnal Bisnis Dan Pembangunan*, 9(2), 14–25.
- Nawangasari, S., & Putri, N. D. (2020). *Pengaruh E-Service Quality Dan E-Trust Terhadap Kepuasan Nasabah Pengguna Bni Mobile Banking Melalui Citra Bank Sebagai Variabel Intervening*. *Jurnal Ilmiah Matrik*, 22(1), 55–63. <https://doi.org/10.33557/Jurnalmatrik.V22i1.839>
- Pambudi, T. W. S., & Soliha, E. (2021). *Pengaruh Kualitas Layanan, Citra Bank, Dan Kepercayaan Terhadap Kepuasan Nasabah Bank*. *Jurnal Ilmiah Akuntansi Dan Keuangan*, 04(01), 27–39.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). *A conceptual model of service quality and its implications for future research*. *Journal of Marketing*, 49(4), 41–50. <https://doi.org/10.1177/002224298504900403>
- Sari, D. M., Fasa, M. I., & Suharto, S. (2021). *Manfaat Dan Risiko Penggunaan Layanan Perbankan Melalui Aplikasi Mobile Banking*. *Al-Infraq: Jurnal Ekonomi Islam*, 12(2), 170. <https://doi.org/10.32507/Ajei.V12i2.892>
- Sarikusumaningtyas, W., & Prayetno, S. (2023). *Pengaruh kualitas pelayanan dan kereliasan nasabah terhadap citra Bank Banten*. *Media Bina Ilmiah*, 17(8). <https://doi.org/10.33578/mbi.v17i8.323>
- Septiana, N. M., Artiningsih, D. W., & Hairudinor, H. (2021). *Pengaruh Kualitas Pelayanan Terhadap Loyalitas Nasabah Dengan Kepuasan Nasabah Sebagai Variabel Intervening (Pt Bank Rakyat Indonesia Persero Tbk Cabang Banjarmasin Samudera)*. *Jurnal Bisnis Dan Pembangunan*, 10(2), 24. <https://doi.org/10.20527/Jbp.V10i2.10955>
- Suprptini, N., & Supriyadi, A. (2020). *Pengaruh Fasilitas, Transportasi Dan Akomodasi Terhadap Kepuasan Wisatawan Dikabupaten Semarang*. *Jmd : Jurnal Riset Manajemen & Bisnis Dewantara*, 3(2), 121–131. <https://doi.org/10.26533/Jmd.V3i2.729>
- Syukkur, A., & Sudarwanto, T. (2021). *Pengaruh Fasilitas Dan Kualitas Pelayanan Terhadap Kepuasan Nasabah Bank Perkreditan Rakyat (Bpr) Jombang Cabang Ngoro*. *Bima : Journal Of Business And Innovation Management*, 3(3), 327–338. <https://doi.org/10.33752/Bima.V3i3.5491>
- Widowati, M., & Andrianto, F. (2022). *Analisis Swot Untuk Pengembangan Bisnis*. *Jurnal Teknologika (Jurnal Teknik-Logika-Matematika)*, 21.
- Zahra, N., & Darwanto, D. (2019). *The Determinant of Banking Efficiency (Data Envelopment Analysis Based on Intermediation Approach)*. *Journal Ekonomi Pembangunan: Kajian Masalah Ekonomi Dan Pembangunan*, 20, 87–99. <https://doi.org/10.23917/jep.v20i1.5799>