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The Effect of Quality Service and Emotional Proximity on Customer Loyalty and Satisfaction as an Intervening Variable at PT PNM Cirebon Branch

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ABSTRACT

Banks are one of the financial institutions engaged in services that can provide the 'excellent service' to compete with increasing competition. Therefore, to maintain and increase its customers, banks need to maintain a positive image within the community. Maintaining this image can be achieved through product quality, quality service, and security order. This research aims to determine the effect of quality service and emotional proximity on customer loyalty and customer satisfaction as an intervening variable at PT PNM Cirebon Branch. This research used descriptive quantitative approach with Structural Equation Modeling (SEM) using AMOS 26 program. Sobel test was conducted to determine the effect of mediation or intervening. The unit of analysis used is all customers of PT PNM Cirebon Branch who have topped up at least twice. The sample consisted of 150 respondents who filled out the questionnaire online. This research is expected to prove that quality service and emotional proximity have a positive and significant effect on customer satisfaction and loyalty.

Keywords: Bank Image, Customer Loyalty, Customer Satisfaction, Quality Service

INTRODUCTION

Banks are one of the financial institutions engaged in services that can provide the 'excellent service' to compete with increasing competition. Therefore, to maintain and increase its customers, banks need to maintain a positive image within the community. Maintaining this image can be achieved through product quality, quality service, and security order. Therefore, to improve the bank's image, it is required to have employees who are able to handle the customers' needs. Each bank determines excellent service, which means the attitude or way of employees to serve customers satisfaction, it will be easier for customer satisfaction to be fulfilled if bank officers are more familiar with the characteristics and character of the customers. Quality no longer only means conformity to certain specifications, but the quality is determined by the customer. All company activities must be coordinated to satisfy customer desires. Therefore, the company will be able to increase customer satisfaction by maximizing pleasant customer experiences and minimizing or even eliminating customer experiences that are less or unpleasant. Thus, customer satisfaction will be able to create customer loyalty to companies that provide good quality and satisfaction.

Both performance, financial performance and bank operational performance should be realized in balance, but actually most banks only excel in financial performance, but not in operational performance in terms of service or vice versa. Excellence in terms of financial performance can only realize short-term excellence, while operational performance can realize the company's long-term orientation, that is customer loyalty. According to Suhasto's research (2018), it stated that quality service has a positive and significant effect on customer loyalty. This research in accordance with the research of Palilati, which stated that there is a significant and positive direct relationship between value and loyalty. Then, an expert stated that emotional proximity has a significant effect on loyalty. Meanwhile, Nurhidayati and Yuliantari (2018) stated that there is a strong influence between customer satisfaction with customer loyalty. The result of calculation coefficient of determination, and customer satisfaction to customer loyalty.

According to Gultom et al (2020), customer satisfaction has a positive and significant effect on customer trust, customer satisfaction also has a positive and significant effect on customer loyalty, customer trust has a positive and significant effect on customer loyalty. Meanwhile, the result is quite substantial and significant in its effect so that it implies that customer satisfaction can be affected by quality service; although customer satisfaction is still also affected by other factors that are not examined in this research (Rohaeni & Marwa, 2018). There are several objectives of this research is to determine the effect of quality service on customer satisfaction; the effect of emotional proximity on customer satisfaction; the effect of customer satisfaction on customer loyalty; the effect of quality service on customer loyalty; the effect of emotional proximity on customer loyalty; to

determine customer satisfaction in mediating the effect of service quality on customer loyalty; and analyze customer satisfaction in mediating the effect of emotional proximity on customer loyalty of PT PNM Cirebon Branch.

LITERATURE REVIEW

Theory of Reasoned Action (TRA)

The Theory of Reasoned Action (TRA) model is used to learn about human behavior. TRA describes that beliefs can affect attitudes and social norms which will change behavioral desires either guided or just occurring in an individual's behavior (Kurniawan et al., 2022). TRA has two main constructs of intention, such as (1) attitude toward behavior means a person will think about their decisions and the possible outcomes of their actions that will affect whether or not they participate in the behavior; (2) subjective norm is associated with the behavior. This behavior includes social pressure that urges an individual or decision maker to exhibit a behavior (Wilson & Edelyn, 2022).

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB) is a development of the Theory of Reasoned Action (TRA) which developed in 1967. Theory of Planned Behavior is a theory based on the assumption that humans will usually behave in a sensible manner. Based on this theory, the most important determinant of a person's behavior is the intention of behavior. An individual's intention to engage in a behavior is a combination of the attitude to engage in that behavior and subjective norms. The main difference between TRA and TPB is the addition of the third determinant of behavioral intention, that is perceived behavioral control (PBC) (Wallston, 2019). PBC is determined by two factors, such as control beliefs (beliefs about the ability to control) and perceived power (perceptions about the power possessed to do behavior). PBC indicates that a person's motivation is affected by the way they perceive the level of difficulty or ease of performing a particular behavior. If a person has strong control beliefs about existing factors that will facilitate a behavior, then that person has a high perception of being able to control a behavior (Montano & Kasprzyk, 2015).

Customer Loyalty

Customer loyalty is the tendency of customers to buy a product or use the services provided by a company with a high level of consistency. Customer loyalty will be critical thing to success not only in the short term but also for sustainable competitive advantage (Khan, 2013). According to Utami, Handayani, and Pusporini (2019), customer loyalty is a deep-seated commitment to buy or support a preferred product or service again in the future even though the effect of situations and marketing efforts has the potential to cause customers to switch. Ensuring that customers stay pleased and loyal is a challenge for companies and the best way to

stay ahead of the competition. According to Hasan (2014), there are several factors that affect customer loyalty, such following below:

1. Customer satisfaction is considered a strong predictor of customer loyalty including positive recommendations, repurchase intentions and others.
2. Product or service quality is strongly related to customer loyalty.
3. Brand image is a determining factor for customer loyalty and creates a more positive company image.
4. Perceived value is a comparison of perceived benefits and costs incurred by customers treated as a determinant of customer loyalty.
5. Trust is defined as the perception of trust in the reliability of the company which is determined by systematic confirmation of expectations of the company's offer.
6. Customer relationship is defined as the customer's perception of proportionality of the ratio of costs and benefits, the ratio of costs and benefits in a sustainable and reciprocal relationship.
7. The switching cost is a restraining factor or self-control from switching product suppliers and therefore customers may become loyal.
8. Reliability is not only restricted to its ability to create superior value for customers, but also includes all aspects of organizational achievements related to public appreciation of the company which directly impacts customer loyalty.

Customer Satisfaction

Customer satisfaction is a level in which customers' needs, desires and expectations can be fulfilled which will lead to repurchases or continued loyalty. Customer satisfaction will be achieved if expectations match with the expectations received. The most important factor in generating customer satisfaction is the performance of agents, which is usually defined by the quality of those agents. Satisfied consumers will make repeat purchases and share their satisfied experiences with others. Meanwhile, dissatisfied consumers will switch to competitors and do not recommend the product to others (Kotler & Keller, 2016; Natalina & Wahyuni, 2022). The more quality products and services provided, the higher the satisfaction perceived by the customer. If customer satisfaction is higher, it can lead to profits for the business entity. There are several customer satisfaction referred to Tjiptono (2014), such following below:

1. The relationship between the company and its customers becomes harmonious;
2. Providing a good basis for re-purchasing;
3. Encouraging the loyalty of customers;

4. Forming a positive feedback recommendation that is favorable to the company;
5. Good corporate reputation in customers' perception; and
6. Increased profitability.

Quality Service

Quality service comes from the comparison between customer expectations about the services they should receive and the services they have actually received. Therefore, quality service can be known by comparing customers' perceptions of the services they actually receive or obtain with the services they actually expect or desire. Quality service is an expected level of excellence for customers. If the service received or perceived is as expected, then the quality service is considered good and satisfying. However, quality must begin from customer needs and ended with customer perceptions. It means that the image of good quality is not based on the perception of the service provider, but based on the customer's perception. Customer perception of quality service is a comprehensive assessment of perceived service excellence (Farida & Jannah, 2022).

Emotional Proximity

Psychologists refer to humans as creatures that are emotional creatures naturally. Emotion is a mental condition that expresses with obvious changes in the body. Each person's emotions are a reflection of his or her mental condition, which will become apparent in obvious changes in the body (Arman & Djunaidi, 2021). Emotions refer to feelings and distinctive thoughts, a biological and psychological condition, and a whole range of tendencies to act. Emotional factors are oriented more towards customer attitudes when deciding to keep their money in a bank with two perspectives. First, the perspective of the present time, that is, while still living in the world. Second, the perspective of time after death, that is, in the period since the customer died or the afterlife until the time when humans will be counted good and bad deeds while living in the world. The existence of this time after death perspective on Muslim customers can explain why a good sharia customer can even accept a smaller profit as long as it is *halal*. There are several emotional factors, such as (1) customers want to be different from others; (2) be proud of their appearance; (3) achieve social status; and (4) avoid danger.

RESEARCH METHODOLOGY

The research design used in this research is explanatory quantitative. Explanatory research is a research method that explores the reason behind something when there is limited information available. Explanatory research can also be defined as a "cause and effect" model, which examines patterns and trends in existing data that have not been studied before. For this reason, it is often considered a type of causal research (George & Merkus, 2023). This method is

applied by explaining various conditions, situations, phenomena, or various research variables according to field occurrences found by researchers by distributing questionnaires to Top Up customers more than once (at least twice), that is, Top Up credit financing customers during the 2019, 2020, and 2021 ULaMM periods at PT PNM Cirebon Branch. This data to be known as primary data of this research. This questionnaire is used to obtain accurate data on the effect of work environment and compensation on employee performance through job satisfaction. The sampling method used non-probability sampling and purposive sampling method. Then, this research variable consists of three types, such as (1) the dependent variable in this research is customer loyalty (Y_2); (2) the intervening variable used in this research is customer satisfaction (Y_1); (3) in this research the independent variables are quality service (X_1) and emotional proximity (X_2). The data analysis method used in this research is the Structural Equation Modeling (SEM) model with calculations using the AMOS 26 program. Santoso (2014) stated that SEM is a combined statistical analysis tool of factor analysis and regression. SEM is used to create a model that describes the relationship among variables.

RESULT AND DISCUSSION

The Result of Research

Research Object Description

PT Permodalan Nasional Madani or can be known as PT PNM is micro capital service unit. In this research, PT PNM Cirebon Branch is research focused. PT PNM Cirebon branch is an expansion of PT PNM Bandung Branch in 2012 which was originally formed as the Cirebon Cluster. Nowadays, PT PNM Cirebon Branch has 2 main businesses, such as *ULaMM* and *Mekaar*. Along with the development of PT PNM Cirebon Branch now has 10 ULaMM units including Pekalipan, Jamblang, Ciledug, Sumber Syariah, Losari, Sindang laut, Kuningan, Ciawigebang, Cibingbin, and Luragung. Having an outstanding of 122,742,000,000 and 3,020 Noa (Number of Account) Customers.

Characteristics of Respondents

This research data was obtained from a questionnaire distributed to customers who had topped up more than once (at least twice) ULaMM products as research subjects, the results of the questionnaire that had been filled in completely by the respondents amounted to 157 people.

These are the description results of analysis data, such following below:

Table 1. Characterization based on Gender

		<i>Frequency</i>	<i>Percentage</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
<i>Validity</i>	Male	99	63.1	63.1	63.1
	Female	58	36.9	36.9	100.0
	Total	157	100.0	100.0	

Source: IBM SPSS 26 (2023)

Based on Table 1 above, the majority of respondents' gender is dominated by male as many as 99 respondents (63.1%). It is because most of the male respondents are the head of the family who acts as a decision maker. Therefore, it can be concluded that the majority of respondents in this research are male.

Table 2. Characterization based on Age

		<i>Frequency</i>	<i>Percentage</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
<i>Validity</i>	20-30 years old	118	75.2	75.2	75.2
	31-40 years old	32	20.4	20.4	95.5
	41-55 years old	7	4.5	4.5	100.0
	Total	157	100.0	100.0	

Source: IBM SPSS 26 (2023)

According to Table 2 above, the majority of respondents' age is dominated by the age of 20 to 30 years old, as many as 118 respondents (75.2%). However, due to the age range, it is a period that is mostly used by respondents to start a business. Therefore, it can be concluded that the majority of respondents in this research have an age of 20 to 30 years.

Model Feasibility Test

Before testing the proposed hypothesis, a structural equation model fit analysis is first conducted as a goodness of fit model. Therefore, to find out if the model constructed is fit, a goodness of fit model test is conducted by examining several measurement criteria (Hair et al., 2014).

Table 3. Model Feasibility Test

Goodness of Fit Index	Cut Off Value	Score	Model Evaluation
Chi-square	Expected to be small	1463.450	Good Fit
Significance Probability	≥ 0.05	0.000	Marginal Fit
CMIN/DF	< 5.00	4.995	Good Fit
GFI	≥ 0.90	0.988	Good Fit
AGFI	≥ 0.90	0.906	Good Fit
TLI	≥ 0.90	0.823	Marginal Fit
CFI	≥ 0.90	0.840	Marginal Fit
RMSEA	0.05-0.08	0.060	Good Fit

Source: IBM SPSS AMOS 26 (2023)

The results of data processing analysis presented in Table 3 indicate that based on the model evaluation of eight measuring instruments (Chi-Square, Significance Probability, CMIN/DF, GFI, AGFI, TLI, CFI, RMSEA), five of them (Chi-Square, CMIN/DF, GFI, AGFI, RMSEA) have fulfilled the specified cut off value (good fit). While the other three were determined to be marginal fit, that is, Significance Probability, TLI, and CFI. However, the marginal fit value is not too far from the cut off values. Therefore, the model above is feasible to use and can be interpreted for further discussion of the research results.

Direct Path Hypothesis Testing Results

This hypothesis testing step is conducted after the structural model evaluation step is conducted. This step is conducted to determine whether the research hypothesis proposed in the research model is accepted or rejected. Therefore, to test the proposed hypothesis, it can be viewed from the estimate value, critical ratio value, and p-value.

The Relationship Between Quality Service and Customer Satisfaction

The result of hypothesis testing indicates a p-value of $0.000 < 0.05$, this result indicates that H_1 is accepted, which means that there is an effect between quality service and customer satisfaction. The estimate value was found to be 0.958 (positive effect) while the critical ratio (CR) value was $9.886 > 1.96$. This result proves that the first hypothesis is accepted.

The Relationship Between Emotional Proximity and Customer Satisfaction

The result of hypothesis testing indicates a p-value of $0.003 < 0.05$, this result indicates that H_2 is accepted, which means that there is an effect between emotional proximity and customer satisfaction. The estimate value was found to be 0.209 (positive effect) while the critical ratio (CR) value was $2.934 > 1.96$. This result proves that the second hypothesis is accepted.

The Relationship Between Quality Service and Customer Loyalty

The result of hypothesis testing indicates a p-value of $0.000 < 0.05$, then this result indicates that H_3 is accepted, which means that there is an effect between quality service and customer loyalty. The estimate value was found to be 0.584 (positive effect) while the critical ratio (CR) value was $4.984 > 1.96$. This result proves that the third hypothesis is accepted.

The Relationship Between Customer Satisfaction and Customer Loyalty

The result of hypothesis testing indicates a p-value of $0.000 < 0.05$, then this result indicates that H_4 is accepted, which means that there is an effect between customer satisfaction and customer loyalty. The estimate value was found to be 0.316 (positive effect) while the critical ratio (CR) value was $3.418 > 1.96$. This result proves that the fifth hypothesis is accepted.

The Relationship Between Emotional Proximity and Customer Loyalty

The result of hypothesis testing indicates a p-value of $0.000 < 0.05$, then this result indicates that H_5 is accepted, which means there is an effect between emotional proximity and customer loyalty. The estimate value was found to be 0.234 (positive effect) while the critical ratio (CR) value was $3.735 > 1.96$. This result proves that the fourth hypothesis is accepted.

Indirect Path Hypothesis Testing Results

Indirect or mediation hypothesis testing is conducted using a method developed by Sobel (1982) and well-known as the Sobel test (Ghozali, 2016). The sobel test is conducted by testing the strength of indirect effect of the independent variable on the dependent.

The Relationship Between Quality Service and Customer Loyalty through Customer Satisfaction

The sixth hypothesis tests the mediating effect between quality service and customer loyalty through customer satisfaction.

Input:		Test statistic:	Std. Error:	p-value:
a	0.958	Sobel test: 3.24418685	0.09331398	0.00117786
b	0.316	Aroian test: 3.22945237	0.09373973	0.00124028
s _a	0.097	Goodman test: 3.25912488	0.09288628	0.00111756
s _b	0.092	Reset all	Calculate	

The reported *p*-values (rounded to 8 decimal places) are drawn from the unit normal distribution under the assumption of a two-tailed *z*-test of the hypothesis that the mediated effect equals zero in the population. +/- 1.96 are the critical values of the test ratio which contain the central 95% of the unit normal distribution.

Figure 1. The Result of Sobel Test I

Source: Processed Data used Sobel Test (2023)

The result of hypothesis testing indicates the sobel statistical value of 3.244, which is greater than the critical value of 1.96. Then the sobel *p*-value is 0.001 < 0.05 ($\alpha = 10\%$), Aroian is 0.001 < 0.05 ($\alpha = 10\%$), and the Goodman test is 0.001 < 0.05 ($\alpha = 10\%$). The result of Sobel test calculation above indicates that H_6 is accepted, which means that customer satisfaction mediates the relationship between quality service and customer loyalty.

The Relationship Between Emotional Proximity and Customer Loyalty through Customer Satisfaction

The seventh hypothesis tests the mediating effect between company image and customer loyalty through customer satisfaction.

Input:		Test statistic:	Std. Error:	p-value:
a	0.209	Sobel test: 2.23513543	0.0295481	0.02540846
b	0.316	Aroian test: 2.18244456	0.03026148	0.02907674
s _a	0.071	Goodman test: 2.2918367	0.02881706	0.02191507
s _b	0.092	Reset all	Calculate	

The reported *p*-values (rounded to 8 decimal places) are drawn from the unit normal distribution under the assumption of a two-tailed *z*-test of the hypothesis that the mediated effect equals zero in the population. +/- 1.96 are the critical values of the test ratio which contain the central 95% of the unit normal distribution.

Figure 2. The Result of Sobel Test II

Source: Processed Data used Sobel Test (2023)

The result of hypothesis testing indicates the sobel statistical value of 2.23, which is greater than the critical value of 1.96. Then the sobel *p*-value is 0.025 < 0.05 ($\alpha = 10\%$), Aroian is 0.029 < 0.05 ($\alpha = 10\%$), and the Goodman test is 0.029

<0.05 ($\alpha = 10\%$). Therefore, this result indicates that H_7 is accepted, it can be concluded that customer satisfaction mediates the relationship between emotional proximity and customer loyalty.

The Discussion of Research

Based on the result of data analysis that has been conducted above, the calculation value of R-Square (R^2) is obtained which represents the accuracy of proposed research model. Then, it can be concluded that the endogenous variable of customer satisfaction can be explained by its exogenous variables by 91%, while the rest is explained by other exogenous variables. While the determination coefficient of the endogenous construct of customer loyalty is 0.947. These results indicate that the endogenous variable can be explained by its exogenous variables by 94.7%, while the rest is explained by other exogenous variables that are not examined.

In addition, based on the test results above, it can be concluded that model evaluation with eight measuring instruments (Chi-Square, Significance Probability, CMIN/DF, GFI, AGFI, TLI, CFI, RMSEA) indicated that five criteria fulfilled the specified cut off value (Chi-Square, CMIN/DF, GFI, AGFI, RMSEA), while the other three criteria were determined to be marginal, such as Significance Probability, TLI, and CFI. However, the marginal fit value is not too far from the cut off values. Therefore, the model above is feasible to use and can be interpreted for further discussion of the research results. The analysis results indicate the mediation role conducted by customer satisfaction on the relationship between quality service, company image, and customer loyalty.

1. The Effect of Quality Service on Customer Satisfaction

Based on the test results, it is concluded that there is a positive and significant effect on the relationship between quality service and customer satisfaction. From this result, it can be concluded that the higher the quality service, the higher the customer satisfaction. Good quality service that satisfies customer expectations is proven to increase customer satisfaction.

2. The Effect of Emotional Proximity on Customer Satisfaction

Based on the test results, it was determined that there is a positive and significant effect on the relationship between emotional proximity and customer satisfaction. It can be concluded from these results that the higher the emotional proximity, the higher the customer satisfaction. This result has supported the research conducted by several previous researchers, one of them is the research of Ronasih and Widhiastuti (2021) which represented that emotional connectivity has a positive and significant effect on customer satisfaction.

3. The Effect of Quality Service on Customer Loyalty

Based on the test results, it is determined that there is a positive and significant effect on the relationship between quality service and customer loyalty. It can be concluded that the higher the quality service, the higher the customer loyalty. Developing a loyal customer base is an important purpose for PT PNM Cirebon Branch, therefore the company is attempting to understand which quality dimensions have a significant impact on customer loyalty for their services. Therefore, it can be concluded that customer loyalty is affected by quality service.

4. The Effect of Customer Satisfaction on Customer Loyalty

Based on the test results, it is concluded that the higher the customer satisfaction, the higher the customer loyalty. It can be inferred from this result that the higher the customer satisfaction, the higher the customer loyalty. The research of Magdalena (2018) indicated that a positive and significant relationship between customer satisfaction and customer loyalty in the context of internet banking. Then it can be concluded that customer loyalty is affected by customer satisfaction.

5. The Effect of Emotional Proximity on Customer Loyalty

Based on the test results, it was determined that there is a positive and significant influence on the relationship between emotional proximity and customer loyalty. From this result, it can be concluded that the higher the emotional proximity, the higher the customer loyalty.

6. The Effect of Quality Service on Customer Loyalty through Customer Satisfaction

Based on the test results of indirect effects of quality service on customer loyalty through customer satisfaction, it is determined that there is a mediating effect, which means that customer satisfaction mediates the relationship between quality service and customer loyalty.

7. The Effect of Emotional Proximity on Customer Loyalty through Customer Satisfaction

Based on the test result on the indirect effect of emotional proximity to customer loyalty through customer satisfaction, it is concluded that there is a mediating effect so that it can be stated that customer satisfaction mediates the relationship between emotional proximity to customer loyalty.

CONCLUSION AND SUGGESTION

Conclusion

Based on the results of hypothesis testing and the discussion of this research, there are several conclusions that can be concluded, such as (1) Quality service has a positive and significant effect on customer satisfaction. It proves that the higher the service quality, the higher the customer satisfaction; (2) Emotional proximity has a positive and significant effect on customer satisfaction. It proves that the higher the emotional proximity, the higher the customer satisfaction; (3) Quality service has a positive and significant effect on customer loyalty. It proves that the higher the quality service, the higher the customer loyalty; (4) Customer satisfaction has a positive and significant effect on customer loyalty. It proves that the higher the customer satisfaction, the higher the customer loyalty; (5) Emotional proximity has a positive and significant effect on customer loyalty. It proves that the higher the emotional proximity, the higher the customer satisfaction; (6) Customer satisfaction serves as an intervening variable in the relationship between quality service and customer loyalty. It proves that customer satisfaction is able to mediate the relationship between quality service and customer loyalty; and (7) Customer satisfaction serves as an intervening variable in the relationship between emotional proximity and customer loyalty. It proves that customer satisfaction is able to mediate the relationship between emotional proximity and customer loyalty.

Suggestion

Based on the results of this research, the researchers can provide several suggestions to various parties, especially those related to this research, such as (1) The researchers suggested to the company, especially the management of PT PNM Cirebon Branch, to consider the quality factors of the services provided. The indicator "I feel that PNM is able to provide value-added services" has the lowest mean value of 8.2484 when compared to other indicators. It is expected that the company can provide added value to the services provided to customers in order to improve quality service and increase the company's initiative in receiving complaints and suggestions from its customers; (2) The researchers suggested to the company to consider the emotional proximity factor. The indicator "I believe the interest granting system is competitive with other banks" has the lowest mean value of 8.6624 when compared to other indicators. Emotional proximity is proven to affect customer satisfaction and customer loyalty. Improving and maintaining emotional proximity should be prioritized by the company. Both good and bad emotional proximity can quickly spread from one person to another; (3) The researchers suggested to the company to consider customer satisfaction factors, especially on the indicator "I am not easily affected by products or services offered by other financial institutions." which has the lowest mean value of 8.6752 compared to other indicators. Fulfilling customer expectations is something that

absolutely needs to be implemented. Continuous service improvement by listening to complaints and suggestions from customers, and making customer satisfaction a measure of success, is a strategy that must be prioritized by the company; (4) The researchers suggested to the company to consider the customer loyalty factor. The indicator "I will remain a customer of PNM Cirebon Branch even though there are offers from other banks" has the lowest mean value of 8.2102 compared to other indicators. Getting customer loyalty is one of the company's main targets. Large investments in technology development and marketing will only be successful if customer loyalty can be obtained. Focusing on existing customers and making them loyal customers should be the company's priority; (5) The researchers suggested that PT PNM Cirebon Branch should consider the service quality seriously in order to be able to increase the community satisfaction who choose to become customers. Among the most important things to do is to prove to the public the high quality service of PT PNM Cirebon Branch which will increase the sense of public trust to use the products available at PT PNM Cirebon Branch; (6) The researchers suggested that the company improve emotional proximity with customers, regarding employee friendliness, employee attitudes when customers arrive, start the service, during service, until the end of the service. It is expected that there will be a reciprocal relationship with the customer so that the customer does not hesitate to express their complaints; and then (7) The researchers suggested that PT PNM Cirebon Branch should always increase customer satisfaction in order to create loyal customers. Because satisfaction is the key to the company to create customer loyalty, but good product quality does not necessarily affect loyalty, new loyalty is obtained if the customer is satisfied. Therefore, PT PNM Cirebon Branch must try to increase the satisfaction of its customers.

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