***THE INFLUENCE OF CUSTOMER CHARACTERISTICS, BANK REPUTATION, CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER VALUE CREATION AND ITS IMPLICATIONS ON CUSTOMER TRUST***

*1Finny Redjeki, 2Azhar Affandi, 3Undang Juju, 4Sucherly*

NPM. 199010002

*Email: 1*[*finny\_redjeki@yahoo.com*](mailto:finny_redjeki@yahoo.com)*,* [*2azhar.affandi.dim@unpas.ac.id*](mailto:2azhar.affandi.dim@unpas.ac.id) *3* [*undang\_juju@unpas.ac.id*](mailto:undang_juju@unpas.ac.id) *4*[*sucherly@unpad.ac.id*](mailto:sucherly@unpad.ac.id)

*1 Universitas Sangga Buana23Universitas Pasundan, 4Universitas Padjajaran*

**ABSTRAK**

Latar belakang penelitian ini didasarkan pada fenomena bahwa Bank Milik Daerah Berstatus Devisa sejak tahun 2019 kekurangan rasio penyaluran kredit produktif dibandingkan dengan kredit konsumtif dan kurangnya rasio penyaluran kredit UMKM terhadap total kredit yang disalurkan, dimana keduanya tidak memenuhi PBI dan POJK. Tujuan dari penelitian ini adalah untuk mengetahui pengaruh karakteristik nasabah, reputasi perusahaan, customer relationship management (CRM) terhadap customer value creation dan implikasinya terhadap kepercayaan nasabah (survey terhadap nasabah PT Bank Sulselbar di Provinsi Sulawesi Selatan dan Sulawesi Barat). Metode penelitian yang digunakan adalah deskriptif dan verifikatif. Populasi dalam penelitian ini adalah nasabah debitur bank baik di Provinsi Sulawesi Selatan maupun Sulawesi Barat, sedangkan sampelnya adalah debitur yang didominasi oleh debitur UMKM. Teknik pengambilan sampel yang digunakan dalam penelitian ini adalah Proportionate Stratified Random Sampling dengan jumlah responden sebanyak 300 debitur. Hasil penelitian yang diperoleh adalah terdapat pengaruh secara simultan Karakteristik Pelanggan, Reputasi Bank, CRM terhadap Penciptaan Nilai Pelanggan sebesar 76,98% dan pengaruh parsial Penciptaan Nilai Pelanggan terhadap Kepercayaan sebesar 79,71%.

Kata Kunci: Karakteristik Pelanggan, Reputasi Bank, CRM, Penciptaan Nilai Pelanggan, Kepercayaan Pelanggan

**RINGKESAN**

Ieu panalungtikan didasaran ku fénoména BPD anu statusna Devisa ti taun 2019 kurang rasio pinjaman produktif dibandingkeun pinjaman konsumtif anu ngan ukur 60% tina total pinjaman sareng henteu aya rasio sapertos kitu. Penyaluran pinjaman UMKM tina total kiridit anu disalurkeun ngan ukur 20%, duanana henteu minuhan PBI jeung POJK. Tujuan tina ieu panalungtikan nya éta pikeun mikanyaho pangaruh karakteristik nasabah, reputasi perusahaan, customer relationship management (CRM) kana penciptaan nilai nasabah jeung implikasi kana kapercayaan nasabah (survey nasabah PT Bank Sulselbar di Sulawesi Selatan jeung Propinsi Sulawesi Barat). Métode panalungtikan anu digunakeun nyaéta déskriptif jeung verifikasi. Populasi dina ieu panalungtikan nya éta debitur bank di propinsi Sulawesi Selatan jeung Sulawesi Barat, sedengkeun sampelna nyaéta debitur anu didominasi ku debitur UMKM. Téhnik sampling anu digunakeun dina ieu panalungtikan nya éta Proportionate Stratified Random Sampling kalawan jumlahna aya 300 debitur salaku réspondén. Hasil panalungtikan anu dimeunangkeun nyaéta aya pangaruh simultan tina Karakteristik Pelanggan, Reputasi Bank, CRM kana Penciptaan Nilai Pelanggan sebesar 76,98% sarta pangaruh parsial Penciptaan Nilai Pelanggan kana Amanah sebesar 79,71%.

Kata Kunci: Karakteristik Pelanggan, Reputasi Bank, CRM, Penciptaan Nilai Pelanggan, Kapercayaan Pelanggan

***ABSTRACT***

*The research background is based on the phenomenon that the Regional Government Owned Banks bearing Foreign-Exchange Status since 2019 are lack of a ratio of productive lending compared to consumptive loans and the lack of a ratio of MSME lending to total credit disbursed, where both of them do not meet the PBI and POJK. The purpose of this study was to determine the effect of customer characteristics, corporate reputation, customer relationship management (CRM) on customer value creation and the implications for customer trust (a survey of PT Bank Sulselbar customers in South Sulawesi and West Sulawesi provinces). The research method used is descriptive and verification. The population in this study were bank debtor customers in both South Sulawesi and West Sulawesi provinces, while the sample was debtors dominated by MSME debtors. The sampling technique used in this study was Proportionate Stratified Random Sampling with a total of 300 debtors as respondents. The research results obtained are that there is a simultaneous influence of Customer Characteristics, Bank Reputation, CRM on Customer Value Creation of 76.98% and a partial effect of Customer Value Creation on Trust of* 79,71%.

***Keywords:*** *Customer Characteristics, Bank Reputation, CRM, Customer Value Creation, Customer trust*

***JEL Classification:*** *A10, A11, A19*

***INTRODUCTION***

*Credit distribution to Micro, Small and Medium Enterprises (MSMEs) includes productive loans that must be fulfilled by commercial banks and has a strategic role in the structure of the national economy including in the context of supporting inflation control, therefore to strengthen the role of MSMEs in the structure of the national economy it is necessary to develop MSMEs through increasing access to credit or financing from banks to MSMEs.*

*Based on the report from the Central Statistics Agency (BPS) to the South Sulawesi Provincial Government (Pemprov), South Sulawesi's economic growth in 2017 was 7.23 percent. This achievement is considered extraordinary because it was achieved in the midst of a slowdown in the world and regional economies, as well as uncertain national economic conditions. The improvement of the South Sulawesi economy is recognized as playing a strategic role in the Eastern Indonesia Region (KTI). With a share of GRDP reaching 35.7 percent of the total GRDP in KTI, therefore, the economic development of South Sulawesi should be properly guarded. Likewise, the economic growth rate in 2018, which was 7.07% and decreased to minus during the pandemic, but grew significantly again. It can be seen that in Quarter III 2022 it reached 5.08%, which proved to be able to go through difficult times. weakness in HR capability is the dimension of personal service, this is understandable given the limited ability of bank officers and available banking digitalization technology.*

*Based on the phenomenon as described above, namely the potential for the large area of South Sulawesi with the rate of economic growth in South Sulawesi always being above national economic growth and the extraordinary support from shareholders for bank development, the availability of productive credit products (Working Capital and Investment Loans), but PT Bank Sulselbar has not been able to realize the optimization of its intermediary function, it has been proven that it has not been able to achieve a composition of 60%: 40% between productive credit and consumer credit, as well as achieving credit distribution or financing to MSMEs of a minimum of 20% of Total Credit. Thus, PT Bank Sulselbar has not been able to comply with POJK No. 17/POJK.03/2018 August 15 2018 concerning Amendments to OJK Regulation No. 6/POJK.03/2016 Concerning Business Activities and Office Networks Based on Bank Core Capital and Bank Indonesia Regulation Number 14/22/PBI/2012 Concerning Credit Provision or Financing by Commercial Banks and Technical Assistance in the Framework of MSME Development. This is allegedly due to a lack of trust from prospective borrowers in the productive credit products offered by PT Bank Sulselbar.*

*Based on the background and phenomenon mentioned above as well as the results of the Pre-Survey related to Customer Characteristics, Company Reputation, Customer Relationship Management , Customer Value Creation and Customer Trust that are not optimal, the Researcher is interested in conducting research on the Effect of Customer Characteristics, Bank Reputation and CRM ( Customer Relationship Management ) on Customer Value Creation and Its Implications on Customer Trust (Survey of PT Bank Sulselbar Customers in the Provinces of South Sulawesi and West Sulawesi).*

This research is a model that illustrates that increasing customer value creation is based on adapting customer characteristics, developing company reputation, and developing CRM in an effort to increase customer trust in Bank Sulselbar in the South Sulawesi and West Sulawesi Regions.

***LITERATURE REVIEW***

***Definition of Management***

*The management process is defined in terms of four specific functions of managers, namely planning, organizing, leading and controlling. according to Griffin (2022:4), “management is a set of activities (including planning and decision making, organizing, leading and controlling) directed at an organization's resources (human, financial, physical, and information) with the aim of achieving organizational goals in an efficient and effective manner," according to GR Terry (2018: 2) which was translated by R. Supomo and Eti Nurhayati namely "Management is a distinctive process consisting of planning, organizing, directing and controlling actions carried out to determine as well as achieving predetermined targets through the utilization of human resources and other sources”. Based on the definition above, it can be concluded that management is a process of achieving organizational goals through people and other resources using the main management functions, namely Planning, Organizing, Actuating and Controlling.*

***Definition of Marketing***

*According to Kotler and Keller (2018: 27) " Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" .*

*This is different according to the opinion expressed by Harman Malau (2017: 1) which states that: "Marketing is an activity of value exchange transactions owned by each party, for example the exchange of products owned by the company for money owned by customers that can meet consumer needs ”.*

***Definition of Marketing Management***

*According to Danang Sunyoto (2017: 191) argues that marketing management is a business function that identifies consumer needs and desires that must be satisfied by other human activities that produce means of satisfying needs, in the form of goods or services.*

*In contrast to the opinion of Kinnear and Kenneth in Ari Setiyaningrum (2017: 11) who argued that marketing management is the analysis, planning, implementation, and control of decisions about marketing in the areas of product offering, distribution, promotion, and pricing ( pricing ). According to Kotler Kotler and Armstrong (2018:34), " Marketing management is the art of science of choosing target markets and building profitable relationships with them ."*

***Definition of Marketing Mix***

*According to Rambat Lupiyoadi (2016: 92) argues that "Marketing mix ( marketing mix ) is a device/tool for those consisting of various elements of a marketing program that need to be considered so that the implementation of the marketing strategy and determining the position determined can be successful," Meanwhile according to Kotler and Keller (2018: 36) states that marketing tools consist of four broad groups of product ( product ), price ( price ), place ( place ) and promotion ( promotion ), which are referred to as 4P's and add 3P for the company services, namely people ( people ), ( process ) and physical evidence ( physical evidence ).*

***Customer Behavior***

*In a market where the level of competition is getting more intense, customer demands are getting higher and people really want special treatment, understanding of customers is so high. For this reason, knowledge about customer behavior is needed in order to satisfy customers and win the competition. Customer Behavior According to Kotler and Keller (2016: 179), customer behavior is the study of how individuals, groups, and organizations select, buy, use, and how goods, services, ideas or experiences satisfy their needs and wants.*

***Customer Characteristics***

*Kotler and Keller (2016) suggest that marketers identify different segments of buyers based on geographic, demographic, psychographic and behavioral differences. From there, marketers determine which segments have the greatest opportunities. For these segments, companies develop offerings that position the minds of targeted buyers by delivering key benefits.*

***Company Reputation***

*Company credibility is an important aspect of company reputation. The credibility of the company shows the extent to which consumers believe that the company can design and provide products and services that meet customer needs and wants. Company credibility includes expertise and trust in a company that the product or service is produced properly and reliably. (Jin and Yeo, 2011). According to Huang et al. (2014), company reputation is the total customer offering to the organization, in the form of a number of beliefs, ideas, and public images of a particular organization. Reliability refers to the implementation of something correctly in accordance with what has been promised. Hall and Lee (2014) define corporate reputation as a stakeholder's assessment (eg customers, suppliers, communities, etc.) of a company's long-term social and economic potential.*

***Customer Relationship Management (CRM)***

*Customer Relationship Management (CRM) is a strategy needed by companies to optimize profits by improving business strategies. Utilization of technology in CRM makes companies understand the wants and needs of consumers will strengthen the relationship between them. Successful implementation of CRM strategy will increase competitive advantage (Mehrdad and Mohammadi, 20ll). Oualid, (2016) states that good CRM implementation can increase competitive advantage. CRM is the development of a strategy that focuses on consumers, in its implementation it requires a redesign in every part, even individual responsibilities and roles. CRM is the process of finding and retaining customers and maximizing customer satisfaction and profits.*

***Customer Value Creation***

*Customer value is a term used by Knox and Maklan (1998) to express what customers are prepared to exchange for a brand. Kotler & Keller (2016) developed the concept of Holistic Marketing which is based on the development, design, and implementation of broad and interdependent marketing programs, processes, and activities. Holistic Marketing requires an integrated perspective in understanding various issues related to marketing.*

***Customer trust***

*Trust is an important factor for an organization in achieving success. At the same time, trust is also a supporting factor in achieving good relations between the company and its customers. Trust is measured by the dimensions of organization, employee and goods and services (Chamchuntra and Fongsuwan, 2014).*

***RESEARCH METHODS***

*This study uses descriptive and verification methods that aim to analyze the significant relationship between the variables studied. In this study the relationship between the variables to be examined is Customer Characteristics, Bank Reputation, Customer Relationship Management (CRM) on Customer Value Creation and the implications for Customer Trust.*

*Descriptive analysis is used to determine the extent to which the responses of the respondents to the variables studied. This analysis was conducted to determine the extent to which the debtor's response to the variables studied. So that from this descriptive analysis provides an overview related to Debtor Characteristics, Bank Reputation, Management of Debtor Relations, Debtor Value Creation and Debtor Trust. From the results of collecting questionnaire data and then calculating the average respondent through calculating the interval of the average. The average interval can be calculated using the following formula:*

*∑ (Frequency x Weight )*

*Average value =*

*∑ Sample (n)*

*After knowing the results of calculations from the average value or score, then classification is carried out according to the following formulation:*

*Minimum score = 1 ; maximum score = 5 ; scale width = 5-1 = 0.8*

*5*

***Table 3.1*** *Average Score Criteria*

|  |  |
| --- | --- |
| ***intervals*** | ***Criteria*** |
| *1.00 – 1.80* | *Very Poor/Very Low* |
| *1.81 – 2.60* | *Not Good/ Low* |
| *2.61 – 3.40* | *Enough/ Moderate* |
| *3.41 – 4.20* | *Good/ High* |
| *4.21 – 5.00* | *Very Good/ Very High* |

*Source: Umar (2011: 98)*

X1

*δ1 \_*

λx1.1

Karakteristik Pelanggan

ξ1

λ2.1

X2

*δ2 \_*

λ3.1

X3

*δ 3*

ε3

ε1

ε2

λ4.1

*δ4 \_*

ф1.3

Y3

Y2

Y1

ϒ 1.1

X4

ф3.3

ε4

λ2.1

λ1.1

Z1

λ3.1

X5

*δ 5*

λ 5.2

λ1.2

Reputasi Bank

ξ2

*δ 6*

λ 6.2

β 2.1

X6

λ2.2

ϒ 1.2

λ 7.2

X7

*δ 7*

ε5

Z2

ζ2

ф2.3

ζ1

ϒ 1.3

X8

*δ 8*

λ 8.3

Customer Relationship Management ξ3

λ 9.3

X9

*δ 9*

λ 10. 3

X10

*δ 10*

***Figure 1.*** *Overall SEM Analysis Structure*

***Remarks :***

***Customer Characteristics***

*X 1  = Geographic Characteristics*

*X 2 = Demographic Characteristics*

*X 3  = Psychographic Characteristics*

*X 4  = Characteristics of Customer Behavior*

***Bank Reputation***

*X 5  = Bank credibility*

*X 6  = Bank image*

*X 7  = Company Identity*

***Customer Relationship Management***

*X 8  = Sustainable Marketing*

*X 9 = Personal Service*

*X 10 = Partnership*

***Customer Value Creation***

*Y 1 = Provision of valuable benefits to customers*

*Y 2  = Business Domains*

*Y 3  = Business Network*

***Customer Trust***

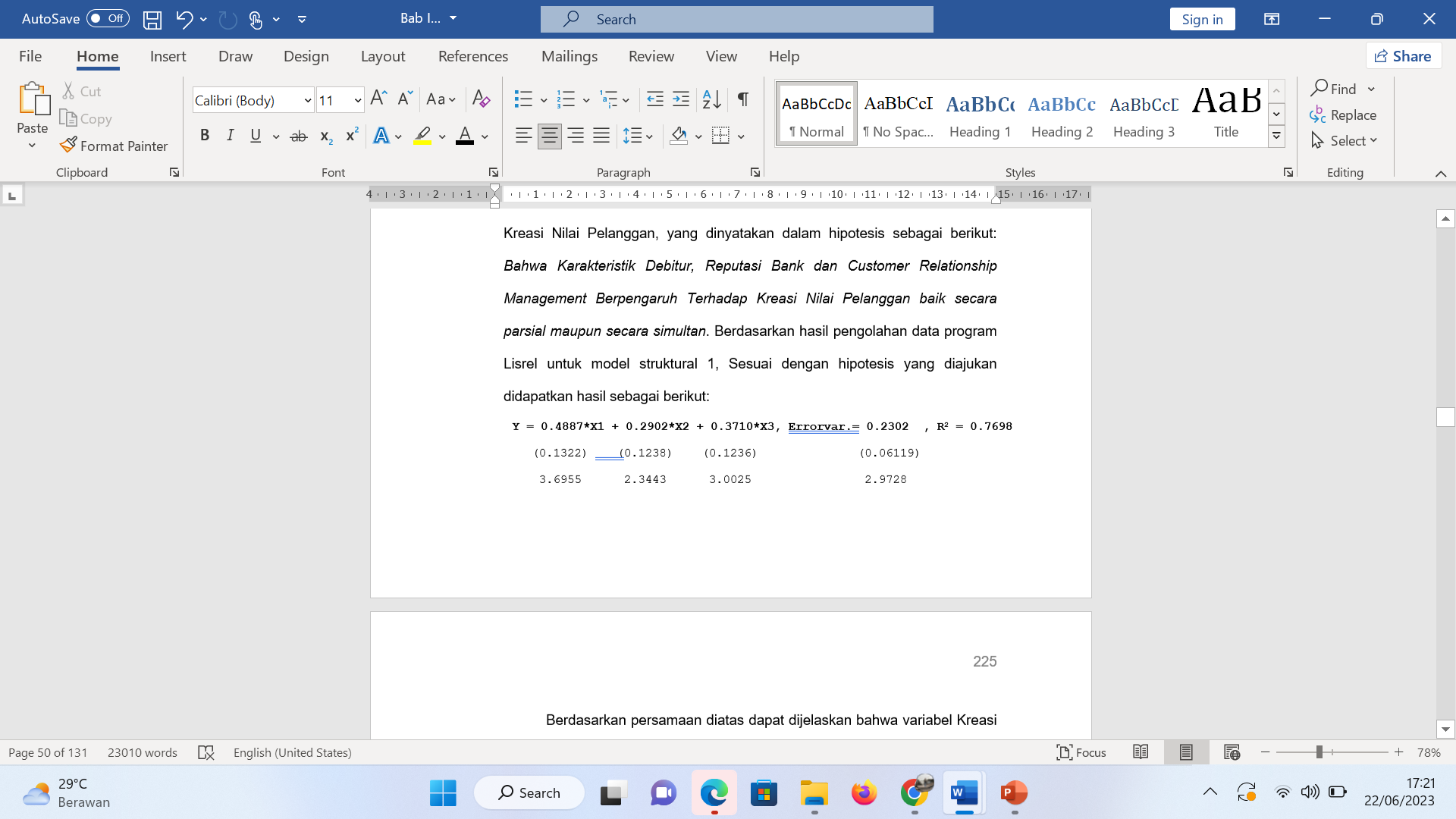
*Z 1 = Quality Assurance*

*Z 2 = Promise Fulfillment*

***RESULTS AND DISCUSSION***

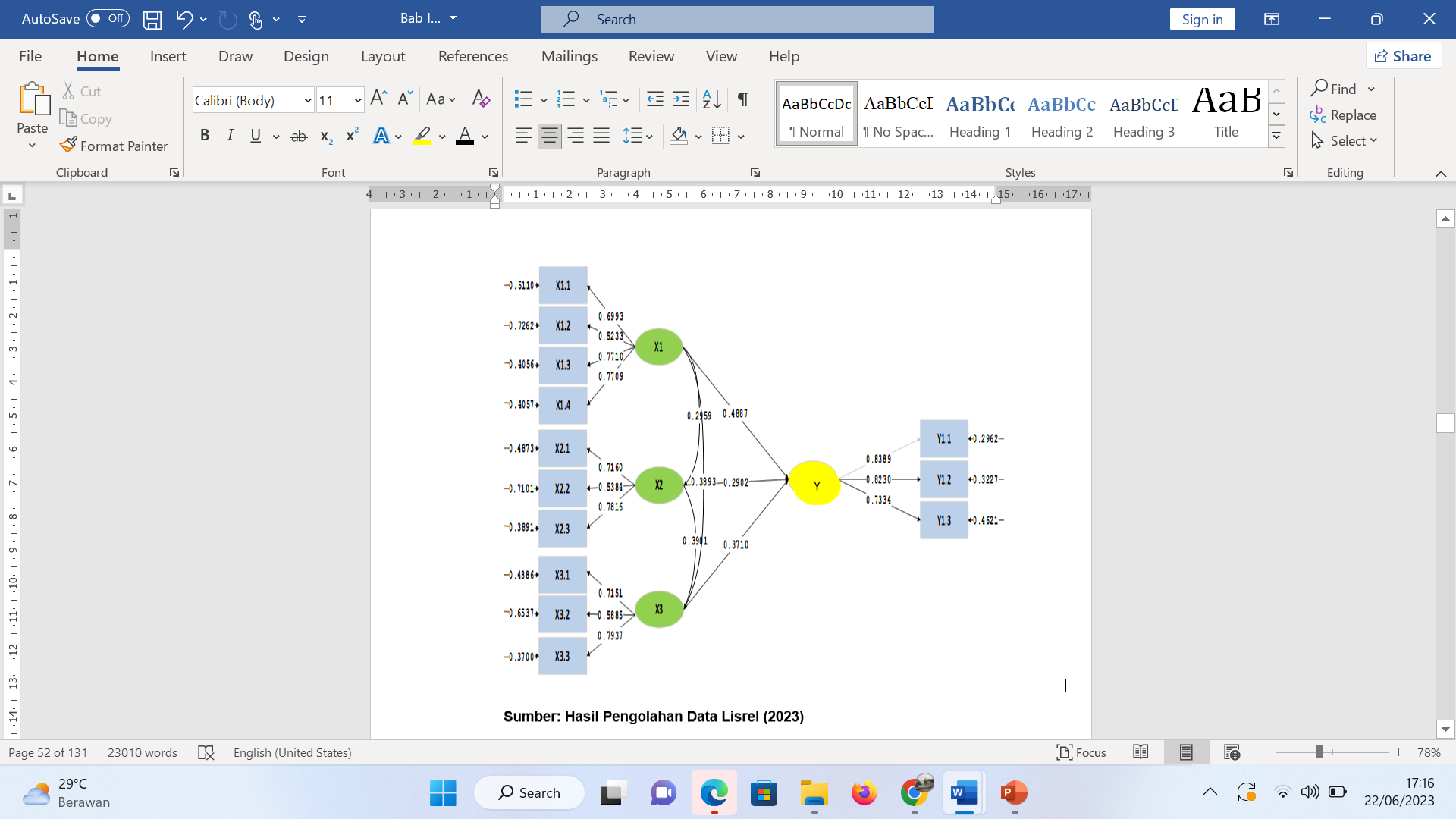
1. *Customer Characteristics of PT Bank Sulselbar Customers in South Sulawesi and West Sulawesi Provinces as a whole are perceived by customers to be in the fairly good to good category. Customer characteristics, which consist of: Geographic Characteristics Dimensions, Demographic Characteristics, Psychographic Characteristics, and Customer Behavioral Characteristics, according to the customer, have been carried out "quite well". The dimension that has the highest average value is the Debtor Behavioral Characteristics dimension, and the dimension that has the lowest average is the Psychographic Characteristics dimension. However, all indicators produce a mean in the "fairly good" category and therefore need special attention from the bank's management for improvement. On the Debtor Behavior Characteristics Dimension, the Debtor's Response to the Product and the Debtor's Knowledge of the Product are the advantages of the Debtor's Characteristics at Bank Sulselbar which must be maintained and improved. This indicator is also the factor that contributes the greatest value or is the main factor forming the Characteristics of Debtors at Bank Sulselbar, however, the quality of these two factors must continue to be improved considering that both are still in the mean quite good category, while in terms of Psychographic Characteristics, bank management must strengthen the 5C elements, namely "Character" of prospective debtors who comply with the principles of granting credit, taking into account the "debtor personality" factor and two other dimensions, namely Demographic Characteristics and Geographic Characteristics where the Demographic Characteristics related to the legal age limit of the debtor legally to be able to sign a credit agreement, have been carried out and obeyed by bank management. In Geographic Characteristics, there are customer expectations related to the affordability of office locations from the debtor's location to the bank's office location or more to the infrastructure that must be provided by the bank to meet customer expectations. Where all of this is in accordance with the results of interviews with Expert Judgment that they agree with the results of the study that the conditions of Debtor Characteristics of PT Bank Sulselbar Customers are still not optimal and not evenly distributed among existing branch offices. So that it becomes homework for Bank Sulselbar to realize the needs and expectations of customers through improving indicators on the dimensions of Debtor Characteristics.*
2. *The company's reputation for customers of PT Bank Sulselbar in the provinces of South Sulawesi and West Sulawesi as a whole is perceived by customers to be in the category of quite good to good. The Company's reputation consists of the dimensions of Bank Credibility, Bank Image and Bank Identity which have been carried out "quite well". The dimension that has the highest average value is the Bank Image dimension, and the dimension that has the lowest average value is the Bank Credibility dimension. However, all indicators produce a mean in the "fairly good" category and therefore need special attention from the bank's management for improvement. On the Bank Image Dimension, the Bank's Performance According to the Community and Good Employee Attitude in serving Debtors are the hallmarks of Bank Sulselbar's reputation which must be maintained and improved in quality. This indicator is the factor contributing the greatest value or the main factor forming the Bank's reputation at Bank Sulselbar. Meanwhile, on the dimensions of Bank Credibility and Bank Identity, the Bank's ability to create prospects in the future, in providing good and reliable service as well as the ability to build business scale growth and design products that meet the wishes of the debtor, the willingness of the debtor to recommend the bank to other debtors is weakness for Bank Sulselbar. This is in accordance with the opinion of the three Expert Judgments , that they concur with the results of the research and the condition of the bank's reputation for customers. PT Bank Sulselbar is quite reputable but must be seriously improved, especially related to the credibility factor which is an important factor that must be considered by banks considering that bank capital is trust, to can be trusted must be "credible".*
3. *Customer Relationship Management (CRM) for PT Bank Sulselbar customers in South Sulawesi Province and West Sulawesi Province as a whole, it is perceived that customers are in the good enough to good category. Customer Relationship Management (CRM) consisting of the dimensions of Sustainable Marketing, Personal Services and Partnerships has been implemented "quite well". The dimension that has the highest average value is the Partnership dimension, and the dimension that has the lowest average value is the Sustainable Marketing dimension. However, all indicators produce a mean in the "fairly good" category and therefore need special attention from the bank's management for improvement. In the Partnership Dimension, the Transaction Security factor and Ease of contacting Officers in Emergency Conditions are the hallmarks of Bank Sulselbar's Customer Relationship Management (CRM) which must be maintained and continuously improved in quality. This indicator is also the factor contributing the greatest value or the main factor forming the CRM Bank at Bank Sulselbar. Whereas on the dimensions of Sustainable Marketing and personal service, the Special Service factor, Membership Card Programs and Prizes at Certain Events and the uniqueness of services at bank offices are weaknesses for Bank Sulselbar, where all must receive serious attention to be improved. This is in accordance with the opinion of the three Expert Judgments that they agree with the results of the research and the condition of the bank's CRM for the customers of PT Bank Sulselbar which is quite valuable and must receive serious treatment to improve its quality.*
4. *Creation of Customer Value to Customers of PT Bank Sulselbar In South Sulawesi Province and West Sulawesi Province as a whole, it is perceived that customers are in the category of quite good to good. Customer Value Creation consists of the dimensions of providing valuable benefits to debtors, business domains and business networks that have been implemented "good enough". The dimension that has the highest average value is the dimension of Providing Valued Benefits to Debtors, and the dimension that has the lowest average value is the Business Network dimension. However, all indicators produce a mean in the "fairly good" category and therefore need special attention from the bank's management for improvement. In the dimension of providing valuable benefits to debtors, the factor of increasing features in services and creating a variety of banking service products is an advantage of Bank Sulselbar's Customer Value Creation which must be maintained and improved in quality, this indicator is also the largest contributing factor or the main factor forming Customer Value Creation Bank at Bank Sulselbar. Meanwhile, in the dimensions of business networking and business domains, the factor of creating business networks with associations/business actors, with research institutions, as well as with fellow regional banks and the creation of product characteristics compared to competitors are weaknesses for Bank Sulselbar, all of which must receive serious attention to be improved. This is in accordance with the opinion of the three Expert Judgments that they agree with the results of the research and the condition of PT Bank Sulselbar's Customer Value Creation is quite valuable and it is mandatory for its quality to be improved.*
5. *Customer Confidence in PT Bank Sulselbar Customers In the Province of South Sulawesi and West Sulawesi Province as a whole, it is perceived that customers are included in the fairly good to good category. Customer Trust which consists of the dimensions of quality assurance and fulfillment of promises has been carried out "quite well". The dimension that has the highest average value is the promise fulfillment dimension, and the dimension that has the lowest average value is the quality assurance dimension. However, all indicators produce a mean in the category of "good enough" and therefore need special attention from the bank's management for improvement. In the promise fulfillment dimension, the debtor's trust factor in the characteristics of the services offered is an advantage of Bank Sulselbar's customer trust which must be maintained and improved in quality. This indicator is also the factor contributing the greatest value or the main factor forming the trust of bank customers in Bank Sulselbar. Meanwhile, in the quality assurance dimension, the factor of the bank being able to guarantee the availability of funds, the assurance of information provided by bank officers, confidence in the ease of obtaining bank services, the bank being able to guarantee the security of customer funds and the security of customer data is a weakness for Bank Sulselbar. This is in accordance with the opinion of the three Expert Judgments that they agree with the results of the research and the condition of Customer Trust in PT Bank Sulselbar's Customers is sufficiently trusted and must receive serious treatment to improve its quality, bearing in mind that bank capital is trust.*
6. *The significant influence of the variables of Customer Characteristics, Bank Reputation and Customer Relationship Management simultaneously on Customer Value Creation at PT Bank Sulselbar in South Sulawesi and West Sulawesi Provinces is equal to 76.98% while the remaining 23.02 percent is the influence of other variables outside the research. Where the three independent variables, namely Debtor Characteristics, Bank Reputation and Customer Relationship Management , are the dominant variables that form Customer Value Creation at PT Bank Sulselbar. The results of this study were also approved by the Expert Judgment , where the expert judgment supported and agreed with the results of the study, which stated that the higher the quality of Debtor Characteristics, Bank Reputation, and Customer Relationship Management had an effect in the form of a very significant increase in Customer Value Creation at PT Bank Sulselbar.*

This can be seen from the results of processing Lisrel program data for structural model 1, In accordance with the proposed hypothesis obtained the following results:



Based on the equation above, it can be explained that the Customer Value Creation variable is positively influenced by the Debtor Characteristics with a path coefficient of 0.4887, positively influenced by Bank Reputation with a path coefficient of 0.2902, and positively influenced by *Customer Relationship Management* with a path coefficient of 0.3710.

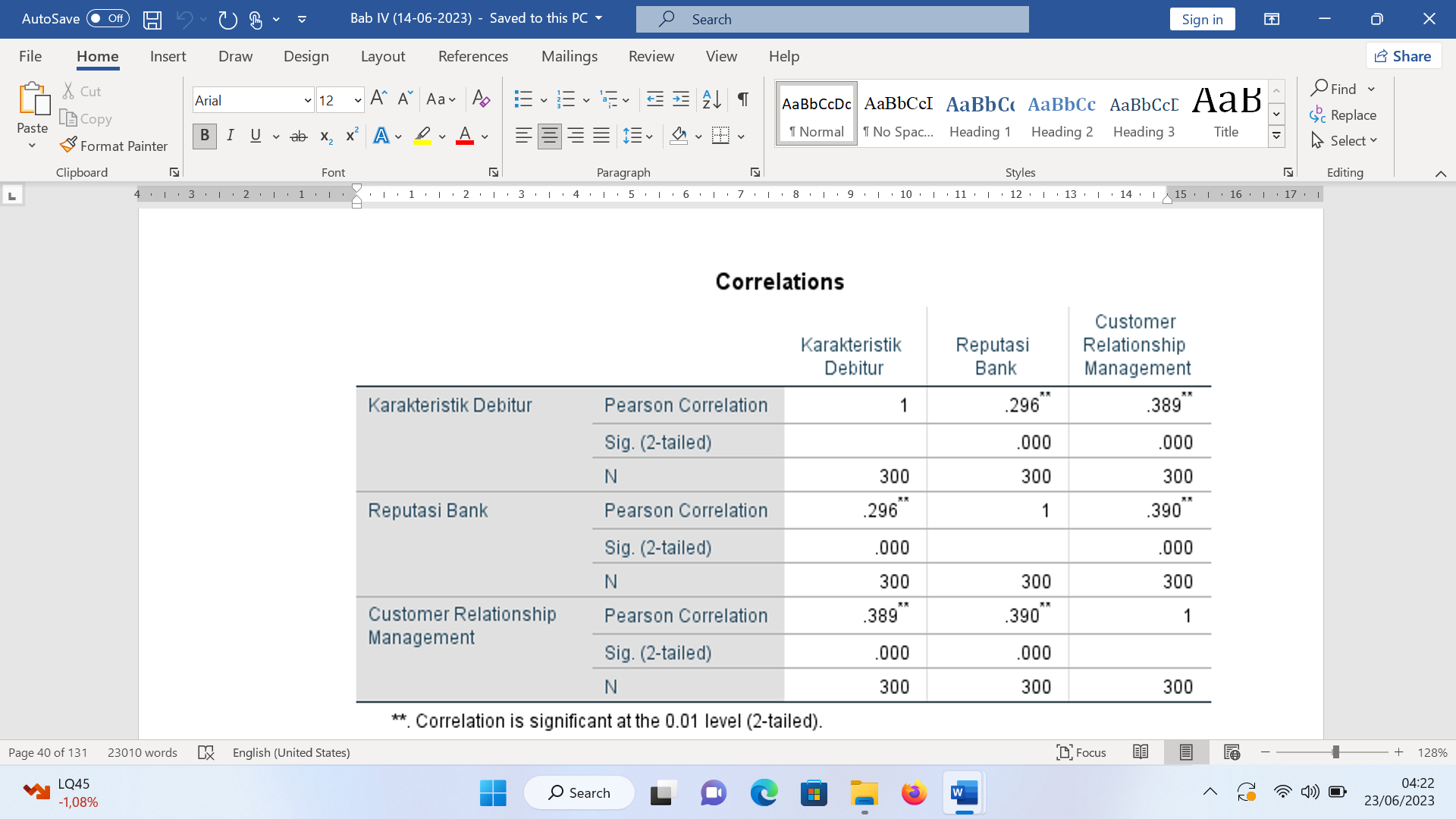
In full the structural model for substructure 1 can be described as follows:



**Figure 2**: Debtor Characteristic Path Coefficient, Bank Reputation and Customer *Relationship Management* on Customer Value Creation

In addition to the Line Coefficient, it can also be seen from the results of data processing related to the close relationship between variables Customer Characteristics, Bank Reputation and Customer Relationship Management (CRM) in Figure 2 above and Table 1 below:

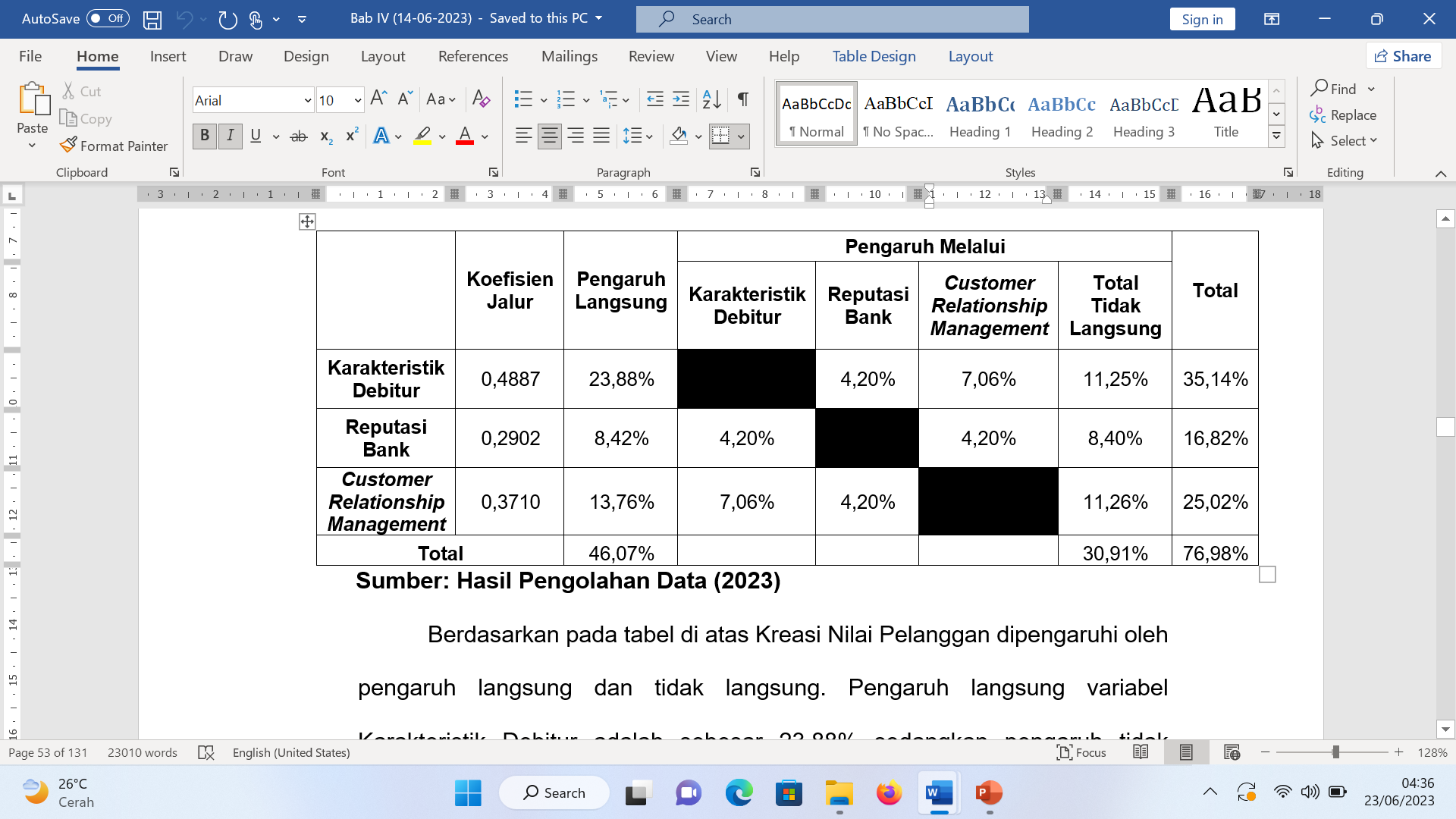
Table 1. Correlation coefficients between independent variables substructure 1



Source : LISREL Program Data Processing Results

Thedirect and indirect effects of the Characteristics of the Debtor, Bank Reputation and Customer *Relationship Management* on Customer Value Creation in Table 2 are as follows:

Table 2: Direct and Indirect Influence of Customer Characteristics, Bank Reputation, Customer Realtionship Management on Customer Value Creation

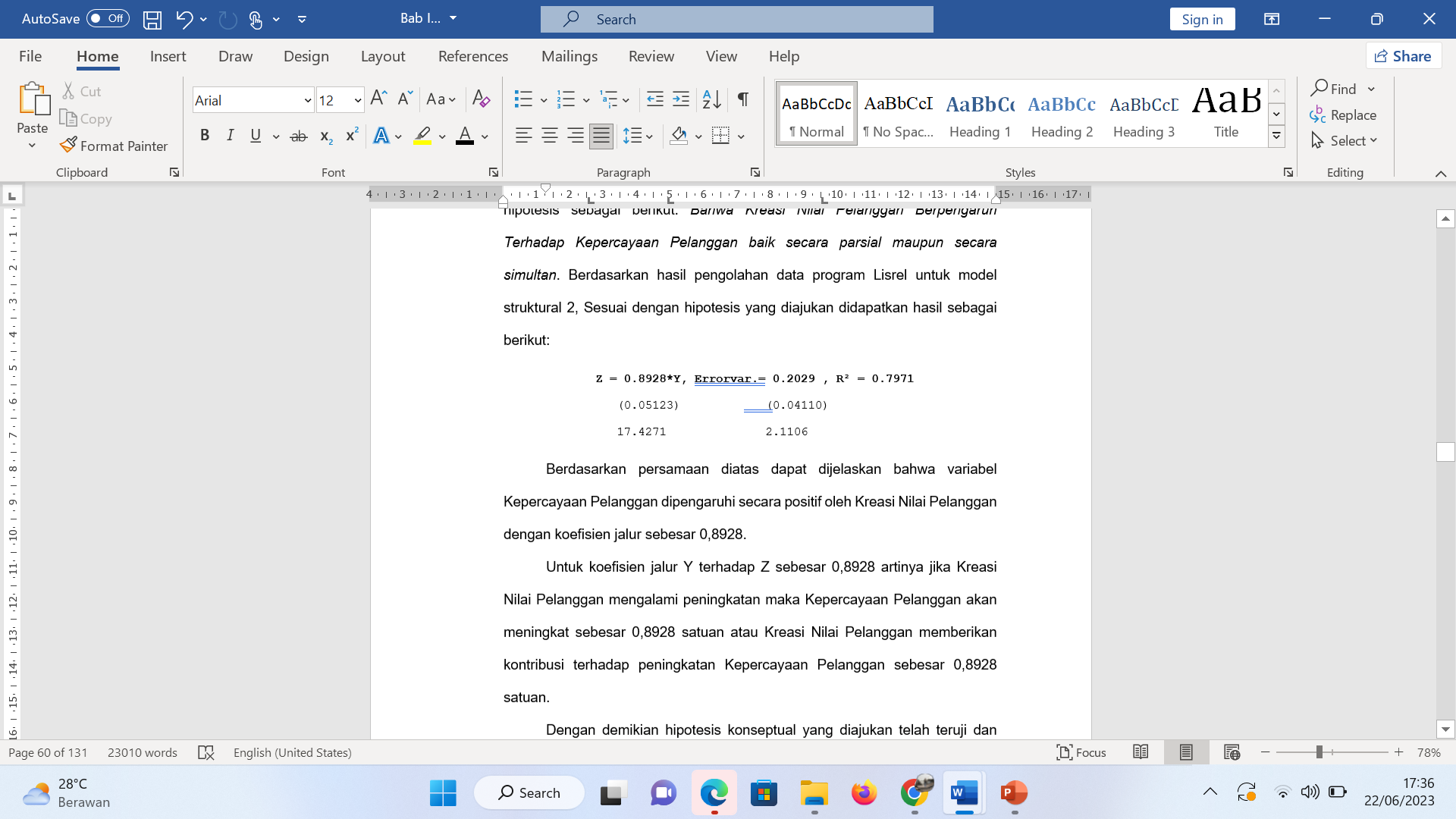


Source : Data Processing Results (2023)

Based on Table 2 can also be explained the direct and indirect influence of each free bell variance on Customer Value Creation as explained below:

1. *The influence of debtor characteristic variables on customer value creation at PT Bank Sulselbar in South Sulawesi and West Sulawesi provinces is 35.14 percent while the remaining 64.86 percent is the influence of other variables outside the study. The results of hypothesis testing conclude that customer characteristics have a significant effect on customer value creation. This is understandable, because superior value creation will open opportunities for high profits and attractiveness in the market. The acceptance of a product in the market is very dependent on how much the product's value is according to the market (customers). A product that is considered to be of little value will be very difficult for the market to accept. The market as a collection of buyers will always make an assessment, each individual in the market will use their own criteria to evaluate a product or service. The three Expert Judgments support and agree with the results of the study, which state that the customer characteristics variable has a significant influence on the creation of customer value for PT Bank Sulselbar customers.*
2. *The effect of bank reputation variables on customer value creation at PT Bank Sulselbar in South Sulawesi and West Sulawesi provinces is 16.82 percent while the remaining 83.18 percent is the influence of other variables outside the research. The results of the hypothesis testing conclude that Bank Reputation has a significant effect on Customer Value Creation. This is understandable because even though PT Bank Sulselbar is a fairly large bank, PT Bank Sulselbar has a deficiency of several supporting factors for the Bank's Reputation variable that must be addressed. The three Expert Judgments support and agree with the results of the study, which state that the bank's reputation variable has a significant influence on the creation of customer value for customers of PT Bank Sulselbar.*
3. *The effect of the Customer Relationship Management Variable on Customer Value Creation at PT Bank Sulselbar in the Provinces of South Sulawesi and West Sulawesi is 25.02 percent while the remaining 74.98 percent is the influence of other variables outside the research. The results of the hypothesis testing conclude that Customer Relationship Management ( CRM ) ) significant effect on Customer Value Creation. This is understandable because the condition of Bank Sulselbar's CRM is already running although it still needs to be perfected by using a touch of information system applications that support improved customer service and trust. The three Expert Judgments support and agree with the research results, which state that the Customer Relationship Management (CRM) variable has a significant influence on the creation of customer value for PT Bank Sulselbar customers.*
4. *The Effect of Customer Value Creation on Customer Trust at PT Bank Sulselbar in South Sulawesi and West Sulawesi Provinces is 89.29 percent. The results of hypothesis testing concluded that Customer Value Creation has a significant effect on Customer Trust. This is understandable, because the condition of Bank Sulselbar is a bank that has been operating for a long time, so that Bank Sulselbar already has a pretty good commitment in carrying out all banking transactions. Apart from that, the good background of Bank Sulselbar also increases the Trust of Bank Sulselbar Customers. The three Expert Judgments support and agree with the results of the study, which state that the customer value creation variable has a significant influence on customer trust in PT Bank Sulselbar customers.*

This can be seen from the results of processing Lisrel program data for structural model 2, In accordance with the proposed hypothesis obtained the following results:



Based on the equation above, it can be explained that the Customer Trust variable is positively influenced by Customer Value Creation with a path coefficient of 0.8928.

In full the structural model for substructure 2 can be described as follows:

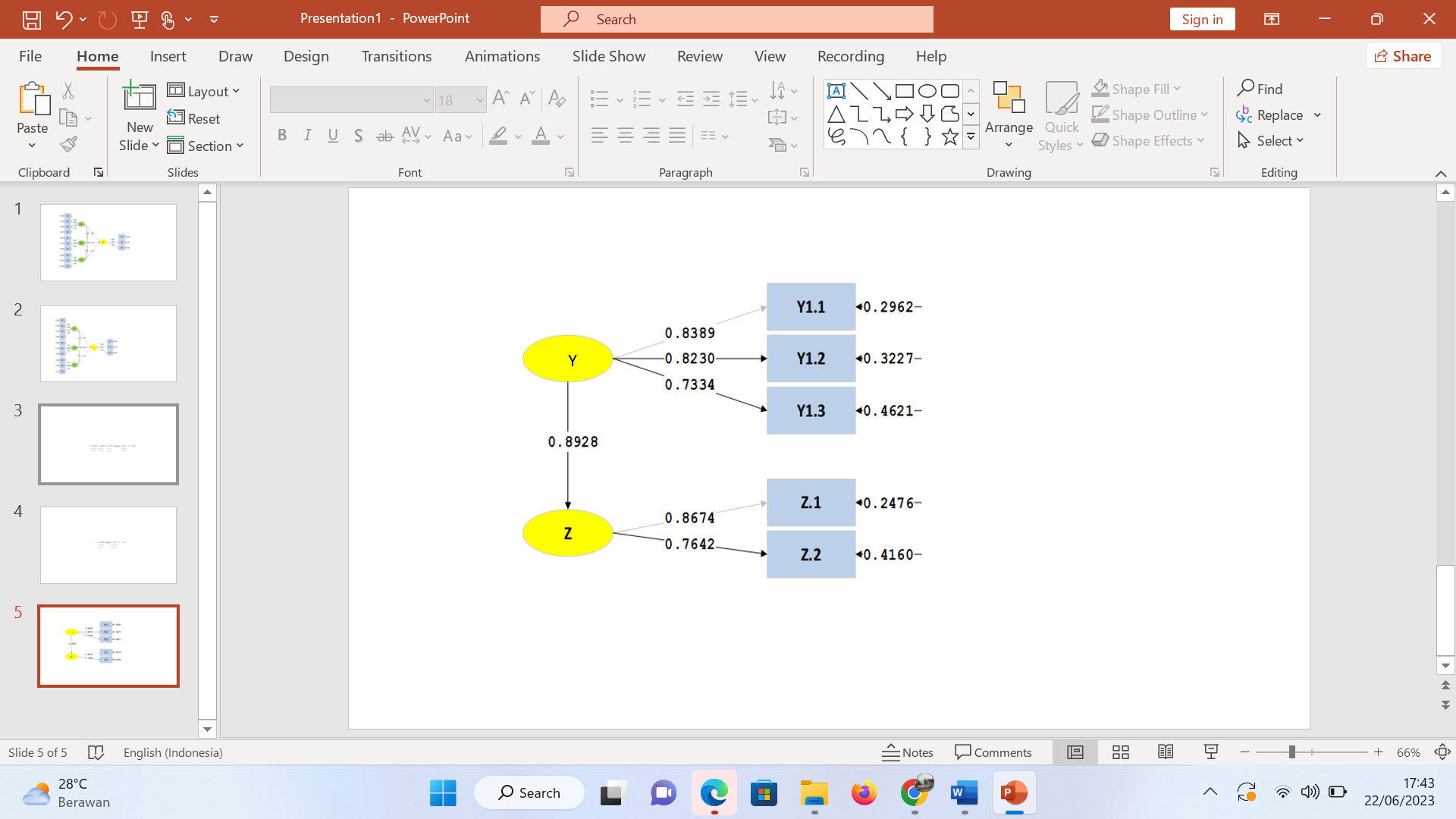


Figure 3 : Coefficient Customer Value Creation Path

Against Customer Trust

***CONCLUSIONS AND RECOMMENDATIONS***

*Based on the results of the above research, it can be concluded that PT Bank Sulselbar in the Provinces of South Sulawesi and West Sulawesi have fairly good to good customer characteristics. Customers generally give positive perceptions of customer characteristics, including the dimensions of debtor behavior and psychographics. In addition, the company's reputation PT Bank Sulselbar is also perceived by customers as good enough to be good. The company's reputation is affected by the bank's image and bank credibility. Although the company's reputation is generally good, there are aspects that need attention for improvement, such as the bank's ability to create prospects in the future and build business scale growth.*

*Customer Relationship Management (CRM) is also perceived by customers as being good enough to be good. CRM is influenced by the partnership and sustainable marketing dimensions. There are advantages in terms of transaction security and ease of contacting officers in emergency situations, but special attention is needed in strengthening the sustainable marketing dimension. Overall, PT Bank Sulselbar was able to create quite good to good customer value. Customer value creation is influenced by providing valuable benefits to debtors. Banks need to maintain and increase excellence in debtor response factors to products, debtor knowledge about products, bank performance according to the community, good employee attitudes in serving debtors, and providing valuable benefits to debtors. In order to increase customer value creation, PT Bank Sulselbar can pay attention to the results of this research and identify areas that need to be improved. In addition, it is also important to make efforts to strengthen the 5C elements of prospective debtors who comply with the principles of lending.*

Improving Customer Characteristics, Bank Reputation and Customer Relationship Management will increase Customer Value Creation which has an impact on increasing Customer Trust.

***REFERENCES***

***Journal***

Adekiya et al. 2016. *The Relationship Between Brand Trust and Customer Loyalty: The Moderating Impact Of Demographic Characteristics*. International Journal of Marketing Practices, 1(1), 1-23.

Adler, B. Alfaro, L.d., Kulshreshta, A., Pye, I. 2011. *Reputation system for open collaboration*

Al Dalayeen. 2017. *Impact of Customer Relationship Management Practices on Customer’s Satisfaction in Jordan Ahli Bank and Bank Al-Etihad.* Journal of Service and Management, 10, 87-96.

Ang, Siah Hwee; Wight, Ana-maria., 2010, *Building Intangible Resources: The Stickiness of Reputation*. ***Corporate Reputation Review*http://search.proquest.com/assets/r20141.1.3-4/core/spacer.gif**12.1http://search.proquest.com/assets/r20141.1.3-4/core/spacer.gif : 21-32.

Arham, J. et al. 2020. *Reputation Influence, Customer-relationship management (CRM) on Customer Value and Customer Loyalty Sharia Banks in Makassar*

Bharti, K.,  Agrawal, R. &Sharma, V. 2014. *What Drives The Customer of World's Largest Market to Participate in Value Co-creation?* Marketing Intellegence & Planning, 32 4: 413-435.

Byoung-Chun Ha, Yang-Kyu Park*,* Sungbin Cho*.* 2011. *Suppliers’ affective trust and trust in competency in buyers Its effect on collaboration and logistics efficiency*. International Journal of Operations & Production Management, 31(1) : 56-77

Casado, A.M., Peláez, J.I, Cardona, J. 2014. [*Managing Corporate Reputation: A Perspective on the Spanish Market*](http://search.proquest.com/docview/1497988012/B776C1C344CD4CBFPQ/17?accountid=48290)*.* Corporate Reputation Reviewhttp://search.proquest.com/assets/r20151.3.0-8/core/spacer.gif,17.1http://search.proquest.com/assets/r20151.3.0-8/core/spacer.gif : 46-63.

Chamchuntra, S. & Fongsuwan, W. 2014. Customer Repurchase Intention, Trust And Customer Satisfaction Influecing Outsourced Employees At Kasikornbank Bank Public Company Limited (THAILAND).*International Journal of Arts & Sciences, 7*(3), 233-242.

Choknumkij, K., & Fongsuwan, W. 2014. Thailand's Provincial Electricity Authority (Pea) Electronic Customer Relationship Management (E-Crm) System And How It Affects Customer Satisfaction. *International Journal of Arts & Sciences, 7*  3 : 223-232.

Christia, J. & Ard, A. 2016. The Influence of Demographic Characteristics on Service Quality Perceptions. *Journal of Marketing Management*, 4(2), 57-62.

Dulloo. 2018. Impact of Demographic Factors on Consumers Trust Toward Mobile Shopping Apps*. Journal of Advertising Research in Dynamic & Control System, 10(7), 926-940.*

Darmadiansyah, Emy Rahmawati, Noor Hidayati (2019). *Tentang Pengaruh Karakteristik Nasabah, Pengetahuan Nasabah, Kualitas Pelayanan Terhadap Keputusan Menggunakan Jasa Perbankan Syariah (Studi Pada Bank Kalsel Syariah Banjarmasin).*

Eman Mohamed Abd-El-Salam, Ayman Yehia Shawky and Tawfik El-Nahas. 2013. *The impact of corporate image and reputation on service quality, customer satisfaction and customer loyalty: testing the mediating role. Case analysis in an international service company*. Journal of Business and Retail Management Research (JBRMR) Vol. 8 Issue 1.

Hall & Lee. 2014. Assessing the impact of firm reputation on firm performance : an international point of view. *International business research,* 7(12).

### Huang, Chun-Chen; Yen, Szu-Wei; Liu, Cheng-Yi; Huang, Pei-Chen, 2014. [*The Relationship Among Corporate Social Responsibility, Service Quality, Corporate Image And Purchase Intention*](http://search.proquest.com/docview/1491115312/61487BE12D484B22PQ/7?accountid=48290)*.* **International Journal of Organizational Innovation (Online) http://search.proquest.com/assets/r20141.4.0-9/core/spacer.gif**6.3**http://search.proquest.com/assets/r20141.4.0-9/core/spacer.gif**: 68-84.

Indah Fatmawati & Nizar Fauzan. 2017*. Building Customer Trust through Corporate Social Responsibility: The Effects of Corporate Reputation and Word of Mouth*. Journal of Asian Financea and Business, 8(3), 0793-0805

### Jurisic, B. & Azevedo, A. 2011. [*Building Customer-Brand Relationships In the mobile communications market: The role of brand tribalism and brand reputation*](http://search.proquest.com/docview/845322237/30A164CBC39543D2PQ/23?accountid=48290)*,* ***Journal of Brand Management*, suppl. Special Issue: Branding Across Industries in the Europeanhttp://search.proquest.com/assets/r20151.1.0-6/core/spacer.gif**18.4-5**http://search.proquest.com/assets/r20151.1.0-6/core/spacer.gif**: 349-366.

Kapoulas, A. & Ratkovic, D. 2014*. E-CRM dilemmas in developing markets: The case of a tourism company in Serbia*. European Journal of Tourism Research 9, 24-40

Karami, Soma; Soltanpanah, Heirsh; Rahmani, Mahmud, 2013*,* [*The Relationship Between Corporate Reputation And Organizational Citizenship Behavior In Private Banks City Of Sanandaj In Iran*](http://search.proquest.com/docview/1431426659/B776C1C344CD4CBFPQ/3?accountid=48290). Interdisciplinary Journal of Contemporary Research In Business, 5: 713-725.

Keisidou, E., Sarigiannidis, L., Maditinos, D. 2011*. Consumer characteristic and their effect on accepting online shopping in the context of different product types*. International journal of business science and applied management, 6(2), 31-50.

Kim, H., Hur, W., & Yeo, J., 2015, Corporate brand trust as a mediator in the relationship between consumer perception of CSR, corporate hypocrisy, and corporate reputation. *Sustainability*, 7(4), 3683-3694.

Leonidou, LC., Kvasova, O., Leonidou, CN. 2011. *Business unethicality as an impediment to consumer trust: The moderating role of demographic and cultural characteristics.* Journal of Business Ethics, 112(3), 397-415.

Mahalakshmi, Saravanaraj, Umarani. 2013. The Influence of Demographic Variables of Bank Customers Towards CRM*.**International Journal of Research in BusinessManagement* (IJRBM) 1(2): 27-40

Miguna Astuti & Yuyus Suryana. 2016. *Customer Value, Customer Relationship and Its Effect On Reputation Of Courses* In Jakarta.International Journal of Scientific & Technology Research , 5(04),

Min Seok (2014) tentang *IT Resources, Organizational Capabilities, and Value Creation in Public-Sektor Organizations: A Public-Value* *Management* *Perspective.*

Ngo, L.V. & O'cass, A. 2010. *Value Creation Architecture And Engineering: A Business Model Encompassing The Firm-Customer Dyad*. European Business Review, 22 5: 496-51

Nur Asnawi & Nina Dwi Setyaningsih. 2021. *Islamic Banking Service Innovation in Customer Cocreation: Its Impact on Customer Trust, Satisfaction, and Loyalty*. [Xinan Jiaotong Daxue Xuebao/Journal of Southwest Jiaotong University](https://www.researchgate.net/journal/Xinan-Jiaotong-Daxue-Xuebao-Journal-of-Southwest-Jiaotong-University-0258-2724) 56(2):65-82.

Ogbadu, E. Usman, A. 2012. [*Imperatives of Customer Relationship Management In Nigeria Banking Industry*](http://search.proquest.com/docview/1266941765/E53C0A90AE4742BCPQ/6?accountid=48290). ***Kuwait Chapter of the Arabian Journal of Business and Management Review*http://search.proquest.com/assets/r20141.4.0-9/core/spacer.gif**2.1http://search.proquest.com/assets/r20141.4.0-9/core/spacer.gif: 59-72.

Ohn Mar Myint. 2020. *Customer Relationship Management Practice Of Domestic Airlines In Myanmar.* International Journal of Business, Economics and Law. 22(1), 122-132.

Pool, A.K, Pool, M.K., Taghipourian, M.J. 2016. *Customer Satisfaction Through Corporate Reputation: The Mediating Role of Perceived Value*. International Journal of Humanities and Cultural Studies. ISSN 2356-5926.

Rababah, K., Mohd, H., Ibrahim, H. 2011. *A Study of the Perception of the Benefits of Customer Relationship Management (CRM) System in Malaysian Private Hospitals.*  International Conference on Business and Economics Research, 1.

Rahaman, M.M., Ferdous, M.I. & Rahman, Md. Z. 2011. *Role of CRM in Profitability of Service Organizations: A Case of a Leading Telecommunication Company in Bangladesh*. Journal of Economic and Sustainable Development.

Rahmani et al. 2017. *The study of the relationship between value creation and customer loyalty with the role of trust moderation and customer satisfaction in Sari hospitals.* Electrronic Physician, 9(6), 4474-4478*.*

Semuel. 2012. *Customer relationship marketing* pengaruhnya terhadap kepercayaan dan loyalitas perbankan nasional. Jurnal Manajemen Pemasaran, 7(1), 33-41.

Shrivastava, P. 2016. Effect of co-creation on customer experience, trust, and brand loyalty. *International Journal of Sales & Marketing Management Research and Development*, 6(6), 1-14.

Sivesan, S. 2013. Customer value creation through customer relationship marketing of the mobile service providers in Jaffna district.

Shulga, Bai, Bausser. 2020. *The Reciprocal Role of Trust in Customer Value Co-Creation.* [Journal of Hospitality and Tourism Research](https://www.researchgate.net/journal/Journal-of-Hospitality-and-Tourism-Research-1096-3480) 45(4):109634802096706.

Stepan Chalupa, Martin Petricek, 2020, *Using Customer Characteristic to Manage marketing and revenue management activities.* TEM Journal.Volume 9, Issue 3, Pages 1088-1093.

Sweeney, J.C & Webb, D.A 2007. *How Functional, Psychological, and Social Relationship Benefits Influence Individual and Firm Commitment to The Relationship*. Journal of Business and Industrial Marketing, 22 7 : 474-488.

Tawinunt, K., Phimonsathien, T. & Fongsuwan, W. 2015. *Service Quality And Customer Relationship Management Affecting Customer Retention Of Long-Stay Travelers In The Thai Tourism Industry: A Sem Approach*. International Journal of Arts & Sciences, *8* 2 : 459-477.

Uturyte-Vrubliauskiene, L. & Linkevicius, M. 2013. Application of customer relationship management systems in lithuanian mobile telecommunications companies.*Mokslas : Lietuvos Ateitis, 5* 1, 29-n/a.

Wahab, Al-Momani, & Noor. 2014. The relationship between E-service quality and ease of use on Customer Relationship Management (CRM) performance: an empirical investigation on Jordan Mobile Phone Services. *Journal of Internet Banking and Commerce, 15(1), 1-15.*

Yasin, B. dan Bazbay, Z.. 2017. *The impact of corporate reputation on customer trust. 16th International Conference on Corporate and Marketing Communication.*

Yildirim, C. & Efthyvoulou, G. 2018. *Bank Value and Geographic Diversification: Regional vs Global.* Journal of Financial Stability.

***Book***

Bateman, T.S., Snell,S.A., Konopaske, R (2019). Management : Leading & Collaborating in a Competitive World 13 edition. McGraw-Hill Education.

Boone, L.E.,Kurtz, D.L. (2015). Contempory Business. Sixteenth .

David, F.R. 2013. *Strategic Management, Concepts & Cases*, Pearson Education Limited, England.

Ferdinand,A. (2015), Metode Penelitian Manajemen Edisi Kelima, Badan Penelitian Universitas Diponegoro, Semarang.

Griffin, R.W. (2016). Fundamental of Management. Eighth Edition. South-Western Cengage Learning.

Ghozali*,* I.2017. *Model Persamaan Struktural Konsep dan Aplikasi dengan program AMOS 24*.Badan Penerbit UNDIP.

Hair Jr,J. F., Anderson, R. E., Tatham, R. L. And Black, W. C. (1992) Multivariate Data Analysis. New York, NY: Maxwell MacMillan.

Hubbard G. & Beamish, P. 2011. *Strategic Management - Thinking, Analysis, Action*. Pearson Australia, 4th Edition

Jogiyanto (2011) *Konsep dan Aplikasi Structiral Equation Modeling Berbasis Varian Dalam Penelitian Bisnis.* UPP STIM YKPN

Kotler and Gary Armstrong 2018 *Principles of Marketing (Global Edition) 17th Edition* Pearson.

Kotler, P. & Keller, K.L. 2016. *Marketing Management*. Fifteenth Edition . Pearson Education Limited. Global Edition

Kotler, P. & Keller, K.L. 2012. Marketing Management. Fourteenth Edition. New Jersey: Pearson Education.

Kotler, P.T. & Bowen*,* J.T. 2010. *Marketing for Hospitality & Tourism*, 5th Edition, Northwestern University.

Kotler, Keller Chernev, Marketing Management, Sixteen Edition Global Edition, Pearson Education Limited 2022

Lovelock*,* C. H., & Wirtz, J. 2011. *Services marketing: people, technology, strategy*. Boston: Prentice Hall.

Malhotra*.* N.K.. 2010. *Marketing Reseach : An Applied Orientation*. Sixth. Edition Pearson Education.

Malau, Harman, 2017 *Manajemen Pemasaran, Teori dan Aplikasi Pemasaran sampai Era Global* Alpabeta Bandung.

Kasmir (2017), *Manajemen Perbankan, Cetakan Ke-14*, Rajawali Pers Jakarta.

Priadana, S.,Muis,S. (2013) *Metodologi Penelitian Ekonomi & Bisnis* , Grahaa Ilmu.

Priadana, S.,Muis,S. (2016) *Metodologi Penelitian Ekonomi dan Bisnis : Dilengkapi Alat Bantu Minitab untuk Pengolahan Data Edisi 2* Ekuilibria

Rencana Bisnis Bank PT Bank Sulselbar, Tahun 2020-2022

Rencana Bisnis Bank PT Bank Sulselbar, Tahun 2022-2024

R.Supomo dan Eti Nurhayati, 2018 *Manajemen Sumber Daya Manusia* , Yrama Widya Bandung

Sekaran, Uma, 2010, *Research Methods For Business. Fifth Edition.* New York: Jhon Wiley & Sons, Inc.

Sugiyono (2022:15), *Metode Penelitian Kuantitatif merupakan Metode ilmiah/ Scientific*, Alfabeta.

Santoso, S. (2018) *Konsep Dasar dan Aplikasi SEM dengan AMOS 24* PT Elex Media Komputindo, Jakarta

Umar, H. (2011). *Metode Penelitian Untuk Skripsi dan Tesis.* Jakarta Rajawali Pers.

Umi Narimawati, Jonathan Sarwono (2019) Structural Equation Modeling (SEM) Berbasis Kovarian dengan LISREL dan AMOS untuk Riset Skripsi, Tesis dan Disertasi.

Wirtz, J. & Lovelock, C. 2016. *Service Marketing: People, Technology, Strategy. Eight Edition*. New Jersey: World Scientific.

Williman N. (2011) *Research Methods The Basic*. Routledge London & New York

***News***

<http://annualreport.id/perusahaan/PT%20BANK%20PEMBANGUNAN%20DAERAH%20SULAWESI%20SELATAN%20&%20SULAWESI%20BARAT>

[file:///C:/Users/X1%20Carbon/Downloads/POJK+16POJK.032018+Perubahan%20atas%20 POJK%20Nomor%2044-POJK.03-2017+FAQ.pdf](file:///C:/Users/X1%20Carbon/Downloads/POJK+16POJK.032018+Perubahan%20atas%20%20POJK%20Nomor%2044-POJK.03-2017+FAQ.pdf)

<https://sulselprov.go.id/welcome/post/pertumbuhan-ekonomi-sulsel-selalu-diatas-nasional>

<https://www.bi.go.id/id/publikasi/laporan/lpp/Pages/LaporanPerekonomianProvinsi-Sulawesi-Selatan-Agustus-2021.aspx>

***Laws and Regulations***

Undang-Undang No.10 Tahun 1998 Tanggal 10 November 1998 Tentang Perubahan atas Undang-Undang Nomor 7 Tahun 1992 Tentang Perbankan.

Surat Keputusan Direksi Bank Indonesia No.32/37/KEP/DIR Tahun 1999 Tentang Persyaratan dan Tatacara Pembukaan Kantor Cabang, Kantor Cabang Pembantu dan Kantor Perwakilan dari Bank yang berkedudukan di Luar Negeri.

Surat Keputusan Direksi Bank Indonesia No.32/53/KEP/DIR Tahun 1999 Tentang Tatacara Pencabutan Izin Usaha Pembubaran dan Likuiditas Bank Umum.

Peraturan Bank Indonesia Nomor 11/25/PBI/2009 Tanggal 1 Juli 2009 Tentang Perubahan atas Peraturan Bank Indonesia No.5/8/PBI/2003 Tentang Penerapan Manajemen Risiko bagi Bank Umum.

Peraturan Bank Indonesia 13/1/PBI/2011 Tanggal 5 Januari 2011 Tentang Penilaian Tingkat Kesehatan Bank Umum.

Peraturan Bank Indonesia Nomor 14/26/PBI/2012 Tentang Kegiatan Usaha dan Jaringan Kantor Berdasarkan Modal Inti Bank.

Peraturan Bank Indonesia Nomor 14/22/PBI/2012 Tanggal 21 Desember 2012 Tentang Pemberian Kredit atau Pembiayaan oleh Bank Umum dan Bantuan Teknis dalam rangka Pengembangan Usaha Mokri, Kecil dan Menengah (UMKM).

Peraturan Bank Indonesia Nomor 23/13/PBI/2021 Tanggal 31 Agustus 2021 Tentang Rasio Pembiayaan Inklusif Makroprudensial bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah.

Peraturan Otoritas Jasa Keuangan (POJK) No.12/POJK.03/2021 Tanggal 30 Juli 2021 Tentang Bank Umum.

Peraturan Otoritas Jasa Keuangan No. 6/POJK.03/2016 Tanggal 26 Januari 2016 Tentang Kegiatan Usaha dan Jaringan Kantor Berdasarkan Modal Inti Bank.