

Customer Satisfaction and Sharia Service Quality at Surya Mart Ponorogo: Case Study from Indonesia

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Abstract — This study aims to evaluate the level of satisfaction and service quality through CSI and IPA. The type of this study is quantitative approach under case study at Surya Mart Ponorogo Indonesia. The sample was 125 respondents. The variables of this study used sharia service quality and customer satisfaction composed of six dimensions: (1) compliance with Islamic law, (2) assurance, (3) reliability, (4) tangibility, (5) empathy, and (6) responsiveness, and each dimension has three statement attributes. Data were analyzed using Importance Performance Analysis (IPA), Cartesius Diagram, and Customer Satisfaction Index (CSI). The findings of this study are, firstly, the results of the IPA. The second finding is that the top priority attribute (indicated in Quadrant A of the Cartesian diagram) is sharia service quality. The third is a 75.2% value for customer satisfaction with the quality of sharia services at Surya Mart Supermarket Ponorogo, Indonesia, under CSI analysis, indicating that customers do feel satisfied enough.

Keywords: Customer Satisfaction, Performance, Sharia Service Quality

I. INTRODUCTION

Global competition has become an unavoidable phenomenon in commerce characterized by rapid changes in the communications, information, and technology sectors. In that era, production and service desperately require new capabilities to make the company successful in commerce. Excellent service has become a demand for each company to compete effectively in the competitive world of commerce. [1] There is a dislocation paradigm from a dominant goods logic to dominant service logic. Individuals and organizations exchange services with each other, while goods, money, networks, or organizations being additional mediators or facilitators of this exchange.[2] Statistical Central Agency (BPS) Ponorogo, Indonesia data from 2017 for Ponorogo Indonesia indicates that there were 913 owners of trade business licenses (SIUP) issued by the Integrated Licensing Services Office (KPPT) of Ponorogo Indonesia. Viewed by business sector, most of the listed businesses in the trade sector (36.80%), the agricultural sector (16.43%), and the social services sector (13.47%). It is evident from the development of existing trade businesses that both large,

medium and micro-businesses must compete to survive and develop. [3] Companies must provide satisfaction to customers to gain competitive advantage in this globalize context, example include better quality, superior products, lower prices and faster services than competitors.[4] It is clear, therefore that the measurement of customer satisfaction is very useful. [5]

TABLE I STRUCTURES OF HOUSEHOLD CONSUMPTION COMPONENTS IN PONOROGO, INDONESIA [6]

	Consumption	2013	2014	2015	2016	2017
No	A	B	C	D	E	F
1	Food, Beverages, and Cigarettes	36,34 %	35,21%	34,95 %	34,57 %	34,00 %
2	Clothing and Footwear	3,34%	3,28%	3,22%	3,16%	3,16%
3	Housing, Tools, Equipment, and Housekeeping	8,62%	8,58%	8,49%	8,47%	8,46%
4	Health & Education	8,86%	8,65%	9,04%	9,12%	9,29%
5	Transportation, Communication, Recreation, and Cultural	22,69 %	23,67%	23,78 %	23,83 %	24,02 %
6	Hotel & Restaurant	14,73 %	15,13%	15,17 %	15,46 %	15,62 %
7	Others	5,42%	5,48%	5,35%	5,39%	5,45%
	Total Consumption	100%	100%	100%	100%	100%

Source from Indonesian Statistics Publications, 2019

Table 1, reveals that the proportion of food expenditure tends to decrease from year to year: from 36.34% in 2013, it decreased to 35.21% in 2014, 34.95% in 2015, 34.57% in 2016, and 34% in 2017. It clearly from Table 1 that the highest non-food expenditure was on transportation, communication, recreation, and culture in the range of 22% to 24% of total household final consumption. The highest level

of household consumption in Ponorogo was on food, beverages, and cigarettes. It can purchase in supermarkets. This made supermarkets a focus for the researchers.

Islam is a religion that comprehensive regulates all aspects of human life, faiths, worship, morality, and *muamalah*; however, the benefits of *muamalah* Islamic economics tend to be ignored by Muslims, requirements concerning *riba*, *maysir*, *gharrar*, and *haram*. [7]

To enable every Muslim to feel confident incorporating Islamic economic into their lifestyle, producer must achieve customer satisfaction to evaluate their business. Customers satisfaction should therefore be measured regarding company services in the Islamic business system.

TABLE II GROWTH DATA OF BANKS IN INDONESIA [8]

Details	2010	2011	2012	2013	2014	2015	2016	2017
Commercial Banks								
National Government Bank								
Banks	4	4	4	4	4	4	4	4
Bank offices	4189	14145	15632 ^f	16637	17430 ^f	17809	18106	18262
Regional Government Bank								
Banks	26	26	26	26	26	26	26	27
Bank offices	1413	1 472	2 802 ^f	3254 ^f	3524 ^f	3781	3926	4130
National Private Bank								
Banks	57	56	56	56	56	55 ^f	52	50
Bank offices	6 526	7108	9275 ^f	9465 ^f	9226 ^f	9052	8384	7680
Sharia Commercial Bank								
Banks	11	11	11	11	12	12	13	13
Bank offices	1215	1390	1734	1987	2163	1990	1869	1825
Foreign and Mixed Banks								
Banks	24	23	23	23	21	21 ^f	21	21
Bank offices	494	465	502 ^f	504 ^f	396 ^f	331	445	388
Amount								
Bank	122	120	120	120	119	118	116	115
Bank office	13837	24580	29945 ^f	31847 ^f	32739 ^f	32963	32730	32285
Note: correction Number								
¹ Exclude Bank Muamalat								

Source from Indonesian Statistics Publications, 2019

Table 2 show that the growth rate increased in existing banks over 2010-2017 by 18%. Besides growth experienced by sharia banks, only local government banks grew by 0.3%, other banks decreased by 14%, both national private, foreign and joint venture banks.

Based on this data, it seems that is increasingly in the interests of Indonesians sharia products or for companies to

implement sharia concepts. This is also related to the object of this research. Since the construction of Surya Mart Supermarket Ponorogo Indonesia, a Muhammadiyah-owned Enterprise (BUMM) on November 10, 1999, this supermarket has consistently implemented quality sharia services to gain customer satisfaction. Although customer satisfaction is abstract, it can be measured through scientific research.

II. SHARIA SERVICE QUALITY (CARTER)

According to Zeithaml,[9] service quality is the quality of service received by customers measured by the significant difference between their expectations or desires. This study's, authors used the CARTER model formulated by Othman Abdul Awe and Lynn Owen.[10] This is a variable instrument used to define and measure the quality of sharia services; it is used as a quality assessment tool. The CARTER measurement mechanism is the same as the 1988 SERVQUAL method of Parasuraman, Berry, and Zeithaml, except that the CARTER method adds a sixth dimension: compliance with Islamic law.[11] CARTER is an acronym for compliance with Islamic law, assurance, reliability, tangibles, empathy, and responsiveness. Surya Mart Supermarket Ponorogo operates under Islamic law and avoids transactions prohibited by Islam such as pork, beer, alcoholic drinks, and *gharar*. [12]

“Assurance” is the knowledge and courtesy of employees and their ability to convey trust and confidence. It includes verbal and written communication between store staff and customers. In this variable, Surya Mart Supermarket Ponorogo should have employees who work well and skillfully to encourage their customers to trust the store; safe from fear, distrust and danger, Islamic service should be good and polite.

“Reliability” is the ability to realise the promise of service, reliability, and accuracy. In this case, Surya Mart Supermarket Ponorogo must match customer expectations, be timely in providing services to every customer without errors, have a sympathetic attitude, and high accuracy.

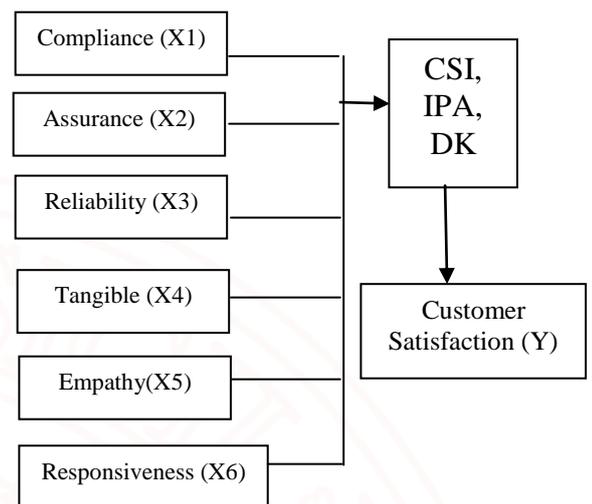
“Tangibility” is the ability to show promise of service, reliability, and accuracy. In this case, Surya Mart Supermarket Ponorogo must match customer expectations, being timely in providing services to every customer without errors, sympathye, and high accuracy.

“Empathy” is a caring attitude. The store must understands customer problems and interests. Surya Mart Supermarket Ponorogo must have understanding and knowledge of its customers. The store should understands specific customer need and also have a comfortable operating time for customers.[13]

“Responsiveness” is a willingness to help customers and provide fast service. Surya Mart Supermarket Ponorogo should help and respond to customers with quick information. Customers should not need to wait because this will lead to negative and undesirable perceptions of service quality.

1. Relationship between Quality of Service and Customer Satisfaction.

According to Kotler; the relationship between quality of service and customer satisfaction is the ratio of expectations to perceived performance or results. Generally, customer expectations are estimates or beliefs about what they will receive when they purchase or consume a product or service.[14] Perceived performance is the customer's perception of what they receive after consuming the product they purchased. It can be formulated thus: $Z = X / Y$, where Z is customer satisfaction, X is the quality perceived by customers, and Y is the needs, desires, and expectations of customers. Feeling satisfied or dissatisfied is the comparison between customer expectations and the reality of service quality felt by customers.



2. Islamic Customer Satisfaction

“Customer satisfaction” is the feeling of happiness or disappointment; after comparing the expectations of products or services with performance. If performance is below expectations, then the customer will not be satisfied, vice versa; if it meets or exceeds expectations, then the customer will be satisfied.[15] Satisfaction in Islam is linked to qana'ah; not only feeling happy or disappointed after comparing the expectations of products or services felt by customers but also after sincerely accepting whatever conditions are experienced, customers whether rich or poor are always satisfied. [16] Qana'ah comprises a flexible quality of satisfaction, that of a person's physical and mental satisfaction, in Islam, the goal of consumption is to achieve *falah* in the world and hereafter.

This research used a non-probability sampling method with accidental sampling to determine a random sample. Anyone who met with researchers was addressed as a respondent; the final sample obtained 125 respondents. Data was processed using Microsoft Excel 2010 and SPSS 16 for Windows to test validity and reliability. The IPA method was used to analyse important attributes and performance reports to measure customer satisfaction. The pre-research test comprised 30 respondents asked 18 questions; it used 0.05 or 5% of the r table level of 0.349. For pre-results; the interests and satisfaction above 18 variables from 30 respondents were declared valid. The value of the validity with KPT 12 of 0.888 was the highest, while the lowest KPT 11 was 0.682. The satisfaction validation test's calculated value with KPS 7 of 0.888 was the highest, while the lowest KPS 3 was 0.481.

III. METHODOLOGY

This research uses a quantitative approach.[17] The researchers applied pre-research with a validity and reliability test to initial 30 respondents, with all the data tested and declared valid and reliable. The researchers applied natural analysis techniques, Cartesian diagrams, and CSI to the data collected. Using Solvin’s formula, the instrument used in this study was the distribution of questionnaires to 125 respondents from Ponorogo’s population. The dependent variable Y = customer satisfaction. With the independent variable / X = X1 = compliance with Islamic law, X2 = assurance, X3 = reliability, X4 = tangibility, X5 = empathy, X6 = responsiveness. For more details, the model of research represented in Figure 1:

TABLE III PRE-RESEARCH INTEREST TEST RELIABILITY

Reliability Statistics	
Cronbach’s Alpha	N of Items
0.961	18

Source: Primary data processed, 2019

Reliability testing is performed after the validity test result. The following are the results of the reliability test of the variables of importance and satisfaction:

TABLE IV PRE-RESEARCH SATISFACTION RELIABILITY

Reliability Statistics	
Cronbach's Alpha	N of Items
0.948	18

Source: Primary data processed, 2019

The test results obtained a Cronbach's alpha of the satisfaction variable of $0.948 > 0.60$, which means that data is reliable or consistent.

1. Importance Performance Analysis (IPA)

To determine the value of the level of sharia service quality Surya Mart Supermarket Ponorogo used the IPA method, an technique that measures the attributes of the level of importance and performance level.[18] Analysis of the levels of importance and performance is measured using a five point Likert scale. The range for each scale is:

Number of measurement scales = (xib - xik)

Where:

xib = most significant score that could be obtained assuming that all respondents gave essential answers

xik = most significant score that could be obtained assuming that all respondents gave unimportant answers.

The formula used to determine the priority level of factors that influence customer satisfaction is:

$$T_{ki} = \frac{X_i}{Y_i} \times 100\%$$

where:

T_{ki} = the level of suitability of the respondent

X_i = score of customer assessment at the level of performance reports.

Y_i = The score from the customer's rating at the attribute level of Interest.

The level of suitability is used to determine the extent of customer satisfaction. If the suitability score is above the average value ($> 100\%$), then the customer feels delighted if the suitability score equals the total average, then the customer is not satisfied.

1. Cartesian diagram

The Cartesian diagram is a diagram formed from two axes. The axis (X) represents the performance level score with the importance level score represented by the vertical axis (Y). The score used to fill each attribute is the average score obtained by dividing the total score of importance level by the total respondents represented by Y_i and X_i is the result of dividing the total score of performance level by the total respondents, using the formula:

$$X = \frac{\sum X_i}{n} \quad Y = \frac{\sum Y_i}{n}$$

Where:

X_i = average score of performance level for each attribute.

Y_i = Average score of the importance of each attribute.

n = Number of respondents

IV. DISCUSSION

To determine the value of the level of sharia service quality at Surya Mart Supermarket in Ponorogo Indonesia in this study, the researcher used IPA to measure the attributes of the level of importance and performance. The attribute "There are facilities such as toilets, prayer rooms, administrative offices and sufficient parking spaces for customers" is a top priority because has lowest suitability score of 83.09%. Surya supermarkets do not sell illicit products such as liquor and pork which is the attribute with the highest conformity level, with a value of 93.48% approaching 100% score of perfect. This attribute is thus the lowest priority because it has the highest conformity value. The 16 other attributes have a percentage level of suitability that is below 100%, so customers are not completely delighted. In general, the average level of appropriateness for all service attributes provided has not reached 100%. However, it could be argued that the level of performance of Surya Mart Supermarket at Ponorogo is relatively good because it is almost 100%. The researcher succeeded in analyzing the quality attributes of sharia services at this Supermarket by grouping them thus into four quadrants:

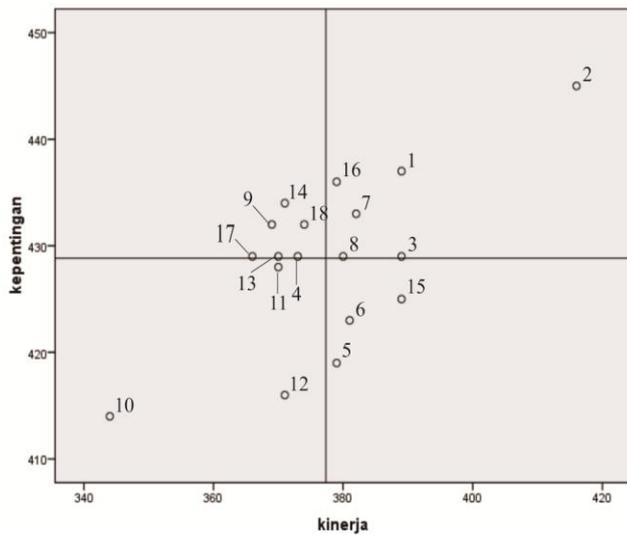


Figure 2 Analysis of Cartesian Diagram 2.

2. Level of Customer Satisfaction at Surya Mart Supermarket Ponorogo, Indonesia.

The customer satisfaction index of Surya Mart Supermarket Ponorogo Indonesia is 75.2%, with a value in the CSI value range from 0.66 - 0.80, meaning that overall customers are satisfied with the services provided there. Although customer satisfaction is abstract, ephemeral, and relative, the presence of this research could provide scientific clarity relating to the level of customer satisfaction [19] at Surya Mart Supermarket. To understand the needs and measure customer satisfaction, Surya Mart Supermarket at Ponorogo Indonesia must keep customers loyal, not moving to other stores. For more details, see the table V below:

TABLE V CUSTOMER SATISFACTION INDEX (CSI)

No	Nomor atribut	Mean of importance (Y)	Weighted factor (WF) (percentage)	Mean of performance (X)	Weighted score (WS)
1	KPT/S 1	4,37	5,66 ^a	3,89	0,22 ^b
2	KPT/S 2	4,45	5,76	4,16	0,23
3	KPT/S 3	4,29	5,55	3,89	0,21
4	KPT/S 4	4,29	5,55	3,73	0,20
5	KPT/S 5	4,19	5,42	3,79	0,20
6	KPT/S 6	4,23	5,47	3,81	0,20
7	KPT/S 7	4,33	5,60	3,82	0,21

8	KPT/S 8	4,29	5,55	3,80	0,20
9	KPT/S 9	4,32	5,59	3,69	0,21
10	KPT/S 10	4,14	5,36	3,44	0,24
11	KPT/S 11	4,28	5,54	3,70	0,22
12	KPT/S 12	4,16	5,38	3,71	0,22
13	KPT/S 13	4,29	5,55	3,70	0,21
14	KPT/S 14	4,34	5,62	3,71	0,19
15	KPT/S 15	4,25	5,50	3,89	0,21
16	KPT/S 16	4,36	5,64	3,79	0,20
17	KPT/S 17	4,29	5,55	3,66	0,19
18	KPT/S 18	4,32	5,59	3,74	0,20
19	Total	77,19	100	67,92	3,76 ^c
20	Weighted Total (WT)				
21	Customer Satisfaction Index (CSI)				75,2% ^d

a. $(4,37 : 77,19 \times 100) = 5,66$

b. $(5,66 \times 3,89) : 100 = 0,22$

c. $0,22 + 0,23 + 0,21 + 0,20 + 0,20 + 0,20 + 0,21 + 0,21 + 0,24 + 0,22 + 0,22 + 0,21 + 0,19 + 0,21 + 0,20 + 0,19 + 0,20 = 3,76$

d. $(3,76/5 \times 100) = 75,2\%$

V. CONCLUSION

Based on the table V, three things can be concluded related to the formulation of the problem:

1. Based on the IPA analysis at the level of conformity, given the priority order of the gap from the results of the gap analysis or gap between the level of importance and performance at Surya Mart Supermarket Ponorogo, Indonesia, it can be deduced that the attributes in Quadrant A of top priority are sharia service attributes, which should therefore be prioritized. In order to increase customer satisfaction, the employees of Surya supermarket must assure six sharia service attributes: (4) maintaining politeness towards their customers, (9) reliable preparation of goods, which are easier for customers to buy, (13) served with sincerity (14); customers needs and desires are fulfilled, (17) responsively in receiving complaints and (18) employees are disciplined in serving. According to CSI analysis, the value of

customer satisfaction in the quality of sharia services at Surya Mart Supermarket Ponorogo Indonesia is 75.2%, which means that customers are satisfied.

2. The management of Surya Mart Supermarket, Ponorogo, Indonesia must prioritize improvement of the performance of Sharia services' quality attributes included in Quadrant A (top priority). To increase customer satisfaction the attributes in Quadrants B, C, and D only need to be maintained and do not need to be prioritized and for improvement. Management should provide better Islamic service innovation because the level of customer satisfaction in the quality of sharia services is 75.2%, indicating that customers feel that their satisfaction can be increased into the range of 80%–100%, as very satisfied. Customer satisfaction is abstract and ephemeral. It needs to be refreshed to make services even better. Research related to the analysis of customer satisfaction on the quality of sharia services must be conducted from time to time so that Surya Mart Supermarket Ponorogo Indonesia can evaluate its service sector's performance to increase customer satisfaction and loyalty.

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