An Examination of The Effects of Internet Banking, CRM, and Product Excellence on Customer Loyalty at State-Owned Islamic Bank Located in Central Java

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ABSTRACT

This study aims to analyze the significance of product excellence, internet banking, and customer relationship management on customer loyalty at the State-owned Islamic Bank located in Central Java. The population in this study were the customers with the sample used in this study 118 customers were selected using the Simple Random Sampling technique. This research used the Multiple Linear Regression analysis, as well as both partial and simultaneous tests, the Coefficient of Determination test. The results finds that the hypotheses and discussion show that product excellence, internet banking, and customer relationship management have a positive and significant effect on loyalty at the State-owned Islamic Bank located in Central Java both partially and simultaneously.

Keywords   :   Customer; Internet; Loyalty; Management; Relationships

ABSTRAK

Penelitian ini bertujuan untuk menganalisis signifikansi keunggulan produk, internet banking, dan customer relationship management terhadap loyalitas nasabah pada Bank Syariah BUMN yang berlokasi di Jawa Tengah. Populasi dalam penelitian ini adalah nasabah dengan sampel yang digunakan dalam penelitian ini sebanyak 118 nasabah yang dipilih dengan menggunakan teknik Simple Random Sampling. Penelitian ini menggunakan analisis Regresi Linier Berganda, serta uji parsial dan uji simultan, uji Koefisien Determinasi. Hasil penelitian dan pembahasan menunjukkan bahwa hipotesis dan pembahasan menunjukkan bahwa keunggulan produk, internet banking, dan customer relationship management berpengaruh positif dan signifikan terhadap loyalitas pada Bank Umum Syariah milik pemerintah yang berada di Jawa Tengah baik secara parsial maupun simultan.

Kata Kunci   :   Pelanggan; Internet; Loyalitas; Manajemen; Hubungan

INTRODUCTION

Bank Syariah Indonesia (BSI), the result of the merger of three state-owned Islamic banks, namely BRI Syariah, Bank Syariah Mandiri, and BNI Syariah, showed increased efficiency, stronger capital, and access to funds with lower interest rates. This merger began in February 2021, and the test results showed that BSI's efficiency and stability after the merger improved significantly compared to the previous three banks. The merger process has a positive impact, creating institutions that are more efficient and have stronger competitiveness in the Islamic banking market (Maulida and Gafur, 2022). This provides benefits to customers through offering funds with more competitive interest rates (Berger et al., 1998). The bank merger process has the potential to increase the wealth of bank owners by improving operational efficiency, reducing costs, lowering risk, and ultimately increasing the bank's market power. This will at least affect the level of customer confidence and trust in the presence of the merged bank (Juliana et al., 2023). The merger of banks has the potential to increase the wealth of bank owners, improve operational efficiency, reduce costs, mitigate risk, and enhance market power (Anand and Singh, 2008; Juma and Wawire, Peter T, Prof. John Byaruhanga, 2010).

Every customer of the merged bank will begin to evaluate whether the merger will improve the quality of service or vice versa. To maintain customer loyalty, a smart marketing strategy, and superior service are needed to provide maximum satisfaction to customers (Irmawati, 2012; Nurul Laily Abdulloh Putri, 2022). In the context of customer trust, banks that undergo mergers will strive to form a positive perception among customers of each bank that merges. To maintain customer loyalty, a smart marketing strategy, and superior service are needed to provide optimal satisfaction to customers (Irmawati, 2012; Maharani Rona Makom, 2023; Nurul Laily Abdulloh Putri, 2022; Wibowo, 2012).

Islamic banking is experiencing intense competition to maintain customer loyalty in today's digital era (Sari & Arini, 2021). Several factors are key to maintaining customer loyalty, including product excellence, internet banking availability, and customer relationship management effectiveness (Customer Relationship Management)(Afendi, 2021; Rezeki et al., 2023). Customer loyalty can be built through several key factors such as service quality, price, customer satisfaction, marketing strategy, and product quality(Nurzullah et al., 2019; Petege et al., 2018). To increase customer loyalty, a crucial first step is to ensure the superiority of the products offered. Product excellence will create a positive experience for customers, forming the foundation for building strong and loyal relationships. The advantages of the product also include capabilities and features that distinguish it from competitors, aimed at providing benefits to users. Product excellence is evaluated from the perspectives of functionality and price, to meet customer expectations. In business, product excellence is reinforced by the inherent physical attributes of the product (Widjaja, 2022). Product features that complement brands with unique benefits are a major factor in users' purchasing decisions and have a positive impact on customer loyalty (Diana & Setiadi, 2021; Naini et al., 2022; Nofrizal et al., 2023).

Previous research on customer loyalty has been conducted by(Maylina & Mulazid, 2018) and(Umar et al., 2016) with the results indicating that product excellence has a significant effect on customer loyalty. Product excellence, as shown in research results, significantly impacts customer loyalty. Factors such as product quality, service quality, and customer relationship marketing also play a role in shaping customer loyalty(Novita et al., 2016; Yuanita, 2008) Results of research conducted by(Widodo & Murwatiningsih, 2019) affirm that product excellence has a significant influence on customer loyalty. However, a

different view emerges from research (Rahmawaty & Kiswati, 2015), which states that there is no significant influence between product excellence and customer loyalty..

The availability of Internet banking is one of the important factors in increasing customer loyalty to the Islamic banking industry as a more innovative and effective marketing strategy (Yuningsih et al., 2022). The move is expected to enhance efficiency, effectiveness, and productivity, while simultaneously increasing revenue through a more effective sales system compared to conventional banks(Larasati & Andjarwati, 2019; Nawangsari & Widiastuti, 2018). Research results (Hidayati & Muhdiyanto, 2017; Ismulyaty et al., 2022; Nugraheni et al., 2022; Tumbel et al., 2022; yusnaini Yusnaini, 2010) have indicated that internet banking has a significant effect on customer loyalty, with the quality of service and trust as the main factors. However, according to (NURSIANA, 2015), there is no influence between Internet banking and customer loyalty.

The third factor is Customer Relationship Management (CRM). Based on several studies, it can be observed that Customer Relationship Management (CRM) has a significant influence on customer loyalty(Pradikto, 2021). These studies demonstrate that the implementation of CRM can enhance customer satisfaction, thereby contributing to increased customer loyalty. Therefore, effective CRM implementation and management can be an efficient strategy to elevate customer loyalty levels (Dewi and Semuel, 2015; Fadilah and Ratnasari, 2021; Pertiwi Siregar, Cahyani, and Chaniago, 2020). In line with research conducted by (Apriliani, Kumajdi, Kusumawati, 2014; Maylina & Mulazid, 2018; Rahmawaty, 2015), CRM has a significant effect on customer loyalty. However, according to (Sari, 2017), based on the results of several studies, Customer Relationship Management (CRM) does not have a significant effect on customer loyalty (Haryandika and Santra, 2021; Tifliyah, Rohman, and Noermijati, 2021).

Based on survey results from the Financial Services Authority (OJK) and the Indonesian National Financial Literacy Survey (SNLIK) in 2022, there is a significant gap between the overall financial literacy rate (49%) and Islamic financial literacy (9.14%). This indicates that only 9 out of 100 people are actively involved in Islamic financial practices. The level of Islamic financial inclusion is still low, reaching 12.12%, far below the general financial inclusion rate of 85%. The low literacy and inclusion in Islamic finance are caused by the public's limited understanding of Islamic finance despite high awareness. The use of Arabic terms in Islamic bank contracts poses an obstacle because people are unfamiliar with these terms. Differentiation processes and individual preferences towards Islamic and conventional financial products are also inhibiting factors. Therefore, it is necessary to enhance the competence of human resources in the Islamic financial industry in line with industry growth. Additionally, the optimization of technology in Islamic financial products and services is needed, and regulatory and capital aspects must support the development of the Islamic financial industry. Increasing Islamic financial literacy and inclusion can support the growth of the Islamic financial industry and provide greater benefits to the community (Alatas, 2023).

According to the National Financial Literacy Survey (SNLK) conducted by OJK in 2022, the level of financial inclusion of Islamic banks in Central Java is still relatively low. This data indicates that people in Central Java have not fully engaged in the financial services provided by Islamic banks. Further efforts are needed to enhance financial literacy and expand financial inclusion in the region. The level of financial inclusion among the people in Central Java is at 66.23%, which is below the national figure of 67.82%. Meanwhile, the financial literacy rate stands at 33.51%. The low level of financial inclusion reflects the limited usage of products from Islamic finance, including Islamic banks. In light of the low financial literacy and loyalty, Bank Syariah Indonesia is leveraging digital

transformation through Internet banking to provide literacy and education to the public on the importance of internet banking.

Previous studies have analyzed many factors that influence the loyalty of Islamic bank customers. Some research results have resulted in variable product excellence (Jonathan Sibarani et al., 2021; Muthia Anggraeni, 2022; Naufal Bachri et al., 2022; Purnamasari & Hamudya, 2023; Siagian & Rahma, 2023), internet banking(Alhanatleh, 2021; Firdaus, 2020; Khan et al., 2023; Lotko, 2022; Mulazid & Fatmawati, 2023; Saibil, 2020), customer relationship management (Amel et al., 2023; Firdaus, 2020; Lorenza & Nurohman, 2022; Lubis et al., 2020) can affect increasing customer loyalty. From the results of several studies that have been conducted, there has been no research that combines product excellence factors, internet banking, and customer relationship management as a whole. Previous research focused more on analyzing the effect of the marketing mix, experiential marketing strategy, service quality, digital banking, and relationship marketing on customer satisfaction and loyalty(Afendi, 2021; Diana & Setiadi, 2021; Pradikto, 2021; Yuningsih et al., 2022). Therefore, this study emphasizes the analysis of the influence of product excellence, internet banking, and customer relationships. management on customer loyalty at Islamic banks in Central Java, which answers the gap in previous research as a novelty in this study. This research will add to the expansion of the analysis by looking at the influence of product excellence, internet banking, and customer relationship management on customer loyalty of Islamic banks in Central Java, it aims to determine the effect of product advantages, internet banking, and customer relationship management on customer loyalty at Islamic banks in Central Java.

RESEARCH METHOD

The type of data used in this study is primarily based on primary data, while secondary data serves only as support. The primary data utilized in this study were questionnaire responses collected from respondents, specifically customers of BSI in Central Java. The data collection method employed in this study utilized cross-sectional data collection through questionnaire distribution to BSI customers in Central Java. Ordinal Data, which consists of data with a sequence but lacks an interval, was used in this study (Sulistiyani, 2017).

The data collection method in this study utilized questionnaire surveys and literature reviews. The questionnaires provided to respondents contained closed-ended questions using an agree-disagree scale, with questions designed to elicit responses ranging from agree to disagree within a range of values from 1 to 10. Literature reviews for this study were gathered from previous research journals, literature, and other sources, such as official website addresses, which served as supplementary input to support this research.

The population for this study comprised BSI customers in Central Java, selected using non-probability sampling techniques and purposive sampling methods. The research sample consisted of savings customers of PT Bank Syariah Indonesia, totaling 118 respondents. Respondents were categorized based on several demographic factors, including gender, age range, level of education, occupation, active status as customers in the last month, and frequency of Internet Banking facility usage in the last month.

This study incorporates four variables, divided into two groups: independent variables, including product excellence, internet banking, and customer relationship management, and dependent variables in the form of customer loyalty. Additionally, multiple linear regression analysis was employed to analyze the effect of several independent variables (X) on one dependent variable (Y) collectively. Validity tests,

reliability tests, and classical assumption tests, including normality tests, multicollinearity tests, and heteroscedasticity tests, were conducted. Data analysis in this study was performed using simultaneous tests (F-test), coefficient of determination test (R^2), and partial test (t-test).

RESULTS AND DISCUSSION

Validity measurement in this study was conducted by correlating the score of question items with the total score of constructs or variables. Each question item is considered valid if the p-value is less than 0.05. The validity test results for each variable are presented in Table 1.

Table 1. Validity Test

Variable	Product Excellence	Internet Banking	CRM	Loyality
Indicator	X1.1. X1.2. X1.3.	X2.1. X2.2. X2.3. X2.4. X2.5 X2.6. X2.7.	X3.1. X3.2. X3.3. X3.4.	Y1.1. Y1.2. Y1.3. Y1.4.
Corrected Item-Total Correlation	0,828 0,741 0,793	0,807 0,862 0,767 0,794 0,836 0,831 0,826	0,797 0,799 0,865 0,722	0,841 0,878 0,773 0,836
Significance Results	0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid)	0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid)	0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid)	0,000 (valid) 0,000 (valid) 0,000 (valid) 0,000 (valid)

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 1, it can be observed that all variables, including product excellence, internet banking, CRM, and loyalty, have significance values of 0.000, which is less than 0.05. This indicates that each indicator of the question is valid. In reliability tests, a variable is considered reliable if the resulting Cronbach Alpha value is greater than 0.60. The reliability test results for each variable are presented in Table 2.

Table 2. Reliability Test

Variable	product excellence	Internet Banking	CRM	Loyality
Cronbach Alpha	0,686	0,902	0,797	0,852
Standard Minimum	0,60	0,60	0,60	0,60
Information	Reliable	Reliable	Reliable	Reliable

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 2, it can be observed that all variable indicators of Product excellence, Internet banking, CRM, and loyalty have a Cronbach's Alpha value of more than 0.60. This indicates that each indicator of the question is reliable.

Data Normality Test

This study employs graphical analysis and statistical analysis to determine whether the data is normally distributed or not. Graphical analysis includes histogram graphs and normal probability plots, while statistical analysis consists of the Kolmogorov-Smirnov One Sample test, as follows in Figure 1.

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Loyalitas
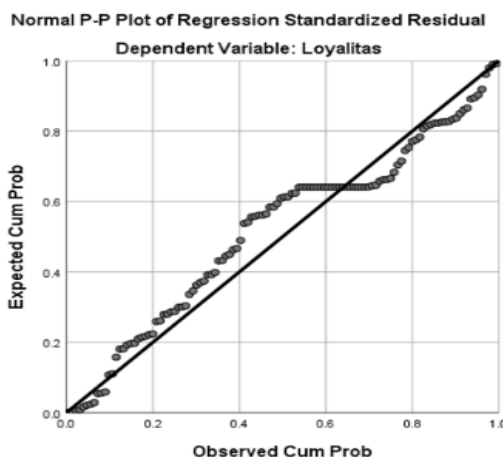
Source: Primary Data processed, 2021

Figure 1. Normal Probability Plot

Based on Figure 1, the points on the normal probability plot graph spread around the diagonal line and follow its direction. Therefore, it can be concluded that the data is normally distributed.

Table 3. One Sample Kolomogrov Smirnov

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		118
Normal Parameters a, b	Mean	.0000000
	Std. Deviation	2.06959622
Most Extreme Differences	Absolute	.126
	Positive	.106
	Negative	-.126
Test Statistic		.126
Asymp. Sig. (2-tailed)		.000c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 3, the significance value of the Kolmogorov-Smirnov One-Sample test result is 0.100, which is greater than 0.05. The data is considered normally distributed if the significance value is greater than 0.05. This indicates that the data in this study is normally distributed.

Classical Assumption Test
Multicollinearity Test

Table 4. Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Product Excellence	.526	1.900
	Internet banking	.415	2.410
	CRM	.523	1.913

Source: Primary Data processed with SPSS 26.00, 2021.

Based on Table 4, it is evident that all independent variables, including product excellence, internet banking, CRM, and loyalty, have a Tolerance value greater than 0.1 and a VIF value less than 10. Therefore, it can be concluded that there is no multicollinearity among the independent variables in the regression model.

Heteroskedasticity Test. In this study, heteroscedasticity tests were conducted using the Scatterplot graph test and the Glejser Test.
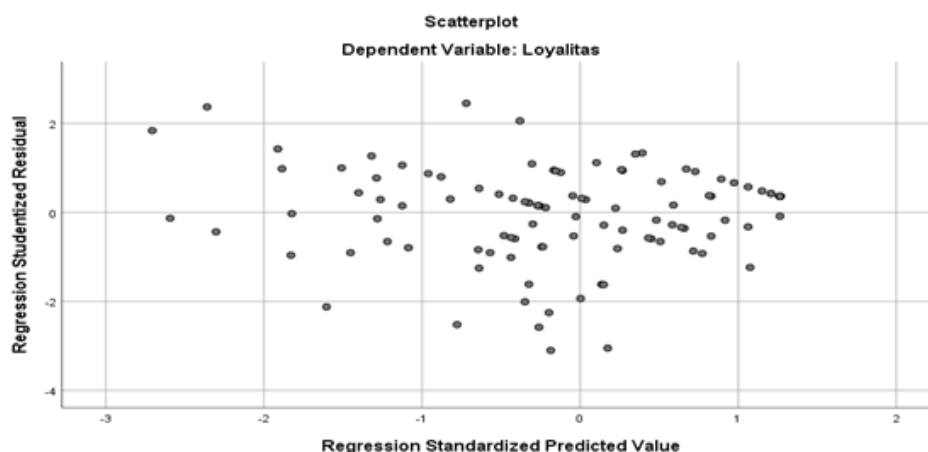
Source: Primary Data processed with SPSS 26.00, 2021

Figure 2. Graphics Scatterplot

Based on Figure 2, the points on the Scatterplot graph are randomly spread and distributed above or below the number 0 on the Y-axis. Therefore, it can be concluded that there is no heteroscedasticity in this study.

Table 5. Glejser Test

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	4,709	0,810		5,812	0,000
	Product Excellence	-0,141	0,078	-0,218	-1,800	0,074
	Internet banking	0,005	0,035	0,020	0,148	0,883
	CRM	-0,091	0,057	-0,192	-1,581	0,117
	Dependent Variabel: Abs_Res					

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 5, it is evident that none of the statistically significant independent variables affect the dependent variable, as their absolute values or significance values are greater than 0.05. Therefore, it can be concluded that there were no symptoms of heteroscedasticity in this study.

Multiple Linear Regression Analysis

The analysis aimed to determine the influence of independent variables, namely product excellence, internet banking, CRM, and loyalty, on dependent variables. Researchers utilized SPSS 26.00, and the results of multiple linear regression analysis are presented in Table 6.

Table 6. Multiple Linear Regression Test

		Unstandardized Coefficients	
Model		B	Std. Error
1	(Constant)	0,854	1,425
	Product Excellence	0,335	0,138
	Internet banking	0,131	0,061
	CRM	0,437	0,101
Dependent Variabel: Loyality			

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 6, the multiple linear regression equation can be formulated as follows as Equation 1.

Customer Loyalty = 1.425 + 0.335 Product Excellence + 0.131 Internet banking + 0.437 CRM + e (1)

From the multiple linear regression equation above, it is found that the regression coefficient values are as follows: product excellence = 0.335, internet banking = 0.131, and CRM = 0.437. This indicates that the variables of product quality, internet banking, and CRM have a positive effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. For every increase in these variables by 1 unit, customer satisfaction at PT Bank Syariah Indonesia in Central Java will increase by the coefficient of each variable, assuming the other variables remain constant.

Simultaneous Significance Test (F Test)

The F-test is conducted to determine whether all independent variables included in the regression model collectively affect the dependent variable (Ghozali, 2018: 98). The results of the F-test can be observed in Table 7.

Table 7. F-test

				ANOVAa		
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	623,929	3	207,976	41,063	.000b
	Residual	577,393	114	5,065		
	Total	1201,322	117			
a. Dependent Variabel: Loyality						
b. Predictors: (Constant), CRM, Product Excellence, Internet banking						

Source: Primary Data processed with SPSS 26.00, 2021

The hypothesis 1 (one) is tested using the F-test. Based on Table 7, Fcalculation = 41.063 > Ftable = 2.68 or significance 0.000 < 0.05, indicating a significant influence

between the variables of product excellence, Internet banking, and CRM on customer loyalty.

Thus, hypothesis 1 (one), which states "It is hypothesized that the variables of product excellence, Internet banking, and CRM simultaneously have a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java," is accepted.

Coefficient of Determination Test (R2)

Table 8. R2 Test

Model Summaryb				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.721a	0,519	0,507	2,251
a. Predictors: (Constant), CRM, Product Excellence, Internet banking				
b. Dependent Variabel: Loyality				

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 8, the Adjusted R Square value in the coefficient of determination (R2) test is 0.507, or 50.7%. This indicates that the variables of product excellence, Internet banking, and CRM contribute to loyalty by 50.7%. The remaining 49.3% is influenced by other variables not studied in this research.

Partial Significance Test (t-Test)

Table 9. T-test

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	0,854	1,425		0,599	0,550
	Product Excellence	0,335	0,138	0,218	2,436	0,016
	Internet banking	0,131	0,061	0,217	2,150	0,034
	CRM	0,437	0,101	0,390	4,339	0,000
a. Dependent Variabel: Loyality						

Source: Primary Data processed with SPSS 26.00, 2021

Based on Table 9, evidence is found against hypotheses 1-3. Hypothesis 1, the hypothesis is tested using the t-test. Based on Table 9, the calculated t-value for the variable "product excellence" is 2.436, which is greater than the critical t-value (t-table) of 1.98099 or significance of 0.016 < 0.05. This indicates a significant influence of partial product excellence on customer loyalty. Thus, hypothesis 1, which states "Partial product excellence has a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java," is accepted.

Hypothesis 2, the proof of hypothesis 2 (two) is conducted through a t-test. Based on Table 9, the calculated t-value for the variable "internet banking" is 2.150, which exceeds the critical t-value (t-table) of 1.98099, or the significance of 0.034 is less than 0.05. This indicates a significant influence of internet banking partially on customer loyalty. Thus, hypothesis 2 (two), which states "Internet Banking partially has a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java," is accepted.

Hypothesis 3, The proof of hypothesis 3 (three) is conducted through a t-test. Based on Table 9, the calculated t-value for the variable "CRM" is 4.339, which exceeds the critical t-value (t-table) of 1.98099, with a significance of 0.000 less than 0.05. This indicates a significant influence of CRM partially on customer loyalty. Thus, hypothesis 3 (three),

which states "Partial CRM has a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java," is accepted.

Discussion

Based on the evidence from hypothesis 1, it is evident that the variables of product excellence, Internet Banking, and CRM collectively influence customer loyalty at PT Bank Syariah Indonesia in Central Java. This indicates that the combination of these variables deserves to be utilized as a predictive tool to enhance customer loyalty to Bank Syariah Indonesia in Central Java.

Additionally, based on Table 8, the Adjusted R Square value in the coefficient of determination (R2) test is 0.507 or 50.7%. This implies that the variables of product excellence, Internet banking, and CRM contribute to loyalty by 50.7%, while the remaining 49.3% is influenced by other variables not studied in this research.

Based on the evidence from hypothesis 2, it is established that the variable product excellence partially has a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. The results of the study align with the views of (Arsyad et al., 2017) who state that product excellence has a positive and significant effect on customer loyalty. The products and services offered are essentially intended to satisfy customer needs in all financial activities. To achieve this, the bank must creatively develop products and services that can meet the needs of its customers. Furthermore (Woran et al., 2016) emphasize that prioritizing product excellence can increase customer satisfaction, and when customers are satisfied, they will be loyal.

Based on the evidence from hypothesis 3, it is established that the Internet Banking variable partially has a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. The results of this study align with the views of (Anggraeni & Yasa, 2012), They suggest that the quality of online services supporting internet banking services will maximize online service facilities and reliability in transactions, thereby directly affecting customer commitment. Customers' loyalty to the internet banking services provided reflects their commitment to continuously use the service and their reluctance to switch to other internet banking service providers. This is consistent with research conducted by (Hidayati & Muhdiyanto, 2017), which indicates that internet banking has a positive and significant influence on loyalty. Additionally, research by (Y. Yusnaini, 2010) suggests that Internet Banking also has a positive and significant effect on loyalty..

Based on hypothesis 4, it is established that CRM variables partially have a significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. This result is consistent with the view of (Umar et al., 2016) which suggests that CRM has a significant effect on customer loyalty, meaning that CRM variables influence customer loyalty. Customer loyalty increases with CRM improvements. Before making purchases, customers typically consider several factors, and CRM plays a crucial role in enhancing customer loyalty. The findings of this study align with the research conducted by (Rorong et al., 2020). The results of hypothesis testing indicate that Customer Relationship Management variables significantly influence customers.

CONCLUSION

Based on the results of the analysis and discussion of this study, it was concluded that product excellence, Internet Banking, and CRM simultaneously have a significant effect on customer loyalty at PT Bank Syariah Indonesia in Central Java, product advantages partially have a positive and significant effect on customer loyalty at PT Bank

Syariah Indonesia in Central Java, Internet Banking partially has a positive and significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java, CRM has a positive and significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. The study used a quantitative approach and collected data from customers of Bank Syariah Indonesia in Central Java. The variables used were product excellence, Internet Banking, CRM, and customer loyalty. The theoretical implications in this study were developed to strengthen support for several previous studies that became references in this study such as the measurement of independent variables of product excellence, Internet Banking, CRM and dependent variables of customer loyalty. The results of research and data analysis showed that simultaneously, these variables have a significant influence on customer loyalty to PT Bank Syariah Indonesia di Jawa Tengah. Additionally, the variables of product excellence, internet banking, and CRM partially have a positive and significant effect on customer loyalty to PT Bank Syariah Indonesia in Central Java. The study also found that product advantages have a positive and significant effect on customer loyalty. The theoretical implications of this study are that it provides support for previous studies that have examined the relationship between these variables and customer loyalty. The study's findings suggest that banks should focus on improving product excellence, enhancing Internet Banking services, and implementing effective CRM strategies to increase customer loyalty.

RECOMMENDATION

This study obtained some evidence from data analysis based on research findings. The results of the study can offer several implications in line with the priorities provided as input for the management of PT Bank Syariah Indonesia in Central Java. Managerial implications focus on indicator variables in this study that have the highest order of magnitude in relation to customer loyalty. These managerial implications include optimizing product excellence, maximizing internet banking, and enhancing CRM. The limitations of this study involve the influence of the independent variables on the dependent variable, accounting for 50.7%. Meanwhile, the remaining 49.3% is influenced by other variables that were not investigated in this study, such as handling complaints, image, and satisfaction. The managerial implications in this study provide recommendations to optimize product excellence, provide excellent Internet banking services, and implement CRM properly to increase customer loyalty at PT Bank Syariah Indonesia in Central Java. Furthermore, it is necessary to conduct subsequent research using other variables that have an influence on customer loyalty, such as satisfaction variables, image, and complaint handling, so that the findings of the next research can enrich the literature of Islamic banking service marketing studies.

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