

Effect of Service Quality

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Effect of Service Quality and Corporate Image On Customer delight and Loyalty Customer in BPD Bali, Gajah Mada Main Branch , Denpasar Bali

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Abstract

This paper reveals that service quality and corporate image are not important factors for customer delight and loyalty. This research is motivated by the desire to measure the importance of service quality and corporate image to customer delight and company loyalty. Insights on various literatures have provided an explanation, there is a tendency for service quality and corporate image to affect customer delight which in turn will affect loyalty. The important idea is to show the importance of service quality and corporate image to customer delight and customer loyalty, which means that the better the service quality and corporate image, the more customer delight will increase, which in turn will increase customer loyalty. This study uses customer data at one bank but they are also customers of other banks in Bali. A type of quantitative research, using a pre-existing measurement scale with a PLS-based SEM analysis tool. Customers do need quality service and a good corporate image. This finding is proven by the better the service quality and corporate image, the more customer delight will increase, the higher the, the higher customer delight the loyalty. Customer delight perfectly mediates the relationship between service quality and corporate image, which means that through the mediation of customer delight, service quality and corporate image affect customer loyalty. Service quality and corporate image in banking must be able to create customer delight so that customer loyalty increases.

Keywords: service quality, corporate image, customer delight, loyalty

1 | INTRODUCTION

Banks are financial institutions whose main activity is to collect funds and channel them back to the community and provide other bank services (Kasmir, 2014: 14). With this very competitive condition, the quality of service to cus-

tomers is very important, which can form a positive image so that customer delight increases, which in turn will lead to loyalty.

Service quality or service quality is centered on fulfilling the needs and wants as well as the accuracy of delivery to match the needs of customers. The

quality of service is tested in every implementation of the services provided (Kotler and Keller, 2008: 50), so the level of satisfaction is a function of the difference between perceived performance and expectations (Kotler, 2015). However, further studies shed light on the concept of consumer behavior, which explains higher levels of satisfaction. This level will result in more loyalty to the company, which is called customer delight. CEOs who are engaged in the service sector emphasized that it is not enough to simply provide satisfaction for customers, and it is a priority to move customer satisfaction into customer delight. (Reichheld in Hariri and Anindita, 2009).

The Regional Development Bank (BPD) Bali Gajah Mada Main Branch, Denpasar is one of the banks in Bali whose ownership is mostly owned by the Bali Provincial Government and Regency / City Governments in Bali Province. Every business sector, especially businesses that provide services, especially services, will never be separated from service quality, it is known by comparing customer perceptions of the service actually received with the actual service expected. From the data obtained, although there has been an increase in the amount of third party funds, there is a limited time to save funds from customers, most of which are Regional Government Employees and other Government Employees who open BPD accounts at Gajah Mada Main Branch, Denpasar. The customer opens an account because the institutional policy is not the customer's personal desire so that the increase in the amount of third party funds is due to the payment of his salary. This condition will have an impact on increasing the number of customers due to an increase in the number of employees at each government institution. This condition does not guarantee loyalty or even though there is an increase in the number of customers, it

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does not guarantee loyalty.

The results of an empirical study of service quality on customer delight and loyalty show a significant positive (Butt & Aftab, 2013); (Elias et al, 2016), Sudarsi (2008); (Hariri & Anindita, 2009); (Vidayanti, 2019); (Desiyanti et al. (2017); (Widyasututi & Mu'afiah, 2018). However, research Xuehua Wang (2011) (Hsu et al. 2017); (Ernawati, 2014) showed that quality of service does not affect the intention.

The Phenomena and research gaps that have been described provide clear directions regarding the formulation of research problems at BPD Bali Gajah Mada Main Branch, Denpasar, namely: What is service quality and corporate image have a positive effect on customer delight? What is service quality and corporate image affect customer loyalty? What is customer delight have a direct positive effect on customer loyalty? What is the role of customer delight in mediating the effect of service quality and corporate image on customer loyalty at Bank BPD Gajah Mada Main Branch, Denpasar?

2 | LITERATURE REVIEW

Service quality

According to Irawan (2009) the advantages of this concept service quality are that it is based on a very comprehensive research, easy to understand and has clear instruments for measuring. There are several dimensions or factors that consumers or service users use in determining service quality, according to Parasuraman, et al in Tjiptono (2011) which states that there are five main dimensions that can be used to measure service quality, namely direct evidence (tangibles), including physical facilities, equipment personnel and means of communication, reliability, namely the ability to provide promise, service with immediate, accurate and satisfying, responsiveness, which is the desire of the staff to help customers and provide service responsiveness, assurance, covers knowledge, ability, politeness and trustworthiness possessed by staff, free from danger, risk or doubt, empathy, which includes the ease of making good communication relationships, personal attention and understanding the needs of customers. The

most important thing about empathy is the way it is communicated both personally and in a casual way. Customers are considered as special and important people. Providing quality service is considered as an important strategy in order to succeed and survive in today's competitive environment. Service quality is the level where it can meet or exceed consumer expectations.

Corporate Image

Corporate image is defined as the perception of a company which is reflected in the associations contained in the memory of consumers. (Keller, 1993). Nguyen and Lablanc (2001) state that corporate image is related to physical and company-related attributes such as name, building, product / service, to influence the quality communicated by everyone so that they are interested in the company, Gronroos and Keller (1995), corporate image is perceptions of an organization are recorded in the memory of consumers and work as filters that affect perceptions of the company.

Several factors influence image company (Mayer in Palupi, 2006). (a) Services, (b) Physical Facilities; as a support for the main building and the products being sold also have a strong influence on consumers. (c) Quality of Products and Services; Quality is often considered as a relative measure of a product or service which consists of design quality which is a function of product specifications, while conformity quality is a measure of how far a product is able to meet predetermined requirements or quality specifications. There are three components that reflect the company's image (Macaulay and Sarah, 1996), namely: Quality of products and services produced, How to provide services, Interpersonal relationships formed through these services.

Customer delight

Customer delight is a form of expression of consumers' emotional response of consumers to the service. Delight occurs when created surprising levels of satisfaction or performance are, thus clarifying the difference between the context of satisfaction and delight, thereby clarifying the difference between the context of satisfaction and delight (Oliver, et al. 1997 in Anindita 2015). According to Kotler and Armstrong (2012: 14) states: "When it comes to

customer satisfaction, make that customer delight" It means; When a customer is satisfied, the thing that must be done again is to make the customer feel happy.

According to Kotler (2001) in Anindita (2015), delight was born because the company succeeded in fulfilling the needs and wants or expectations of consumers and even consumers felt satisfied. This is also a benchmark for company performance or an achievement for the company, because it understands its customers. Customer delight (customer pleasure) is the reaction of customers when they receive a service or product that provides value that exceeds their expectations (Mascarenhas, et al in Indriani and Jeysseca, 2011). So in maintaining customers the concept of customer delight is very useful because it not only makes customers feel satisfied but also makes customers happy. Privileging customers with the concept is delight expected to increase customers to be more loyal. Dimensions of Customer delight according to Kwong, et al. (2002) in Anindita (2015) states, delight consists of five variables, namely justice, esteem, security, trust, and variety.

Customer Loyalty

According to Tjiptono (2007: 386), loyalty is a commitment to a company, brand or supplier based on a positive attitude which is reflected in the form of consistently repeated purchases. Customers who are truly loyal are not very potential word of month advertisers, but are likely to be loyal to the company's product and service portfolio over the years. Engel in Sugiharto (2007) states that loyalty is a repetitive buying behavior that has become a habit that has high linkages and involvement in its choice of certain objects, and is characterized by the absence of external information seeking and alternative evaluation, while Morais (2005) in Sangadji and Sopiah (2013: 104) defines customer loyalty as customer commitment to a brand, store, or supplier, based on a very positive attitude and is reflected in consistent repurchases. Nordman in Griffin (2009: 24-25) says that customer loyalty consists of all behaviors (repeat purchases) and attitudes. The attitudes that Nordman refers to include positive, neutral and negative attitudes. Customers do not have a positive or negative attitude in their relationship with the company.

In the large Indonesian dictionary (2001: 603) the definition of loyalty is obedience and loyalty. Hariyati (2005: 35) states that customer loyalty is a very important boost to create sales. According to Engel (1995: 144), loyalty is also defined as a deep commitment to repurchase or repeat the preference pattern of a product or service in the future, which causes repeated purchases of the same brand or a set of the same brand, even though there are situational factors involved and marketing efforts that have the potential to lead to brand switching behavior. This concept includes the possibility of confusing the future service contract, the likelihood of the customer giving positive comments, or the likelihood of the customer giving their opinion. A customer may be loyal to a brand due to the high barriers to switching due to technical, economic or psychological factors. On the other hand, customers may be loyal to a brand because they are satisfied with the product or brand provider and want to continue a relationship with the product or service provider. Loyal customers are those who repurchase the same brand, only consider the same brand and are not looking for information at all. information about other brands.

According to Griffin (2005: 31) customer loyalty appears to be a more reliable measure to predict sales and financial growth. Different from satisfaction, which is an attitude, loyalty can be defined based on buying behavior. Loyal customers are people who make regular repeat purchases, buy between lines of products and services, refer to others, show immunity to the pull from competitors.

3 | HYPOTHESES

The relationship between Service Quality and Customer delight is widely documented in the relationship marketing literature theoretically when the services provided are able to meet or exceed customer expectations or expectations, the customer is satisfied (Parasurama et al, 1988).

Empirically, many studies with different sample backgrounds have proven that service quality has a positive influence on Customer delight as stated by (Rahim Mosahab and Osman Ahamad (2010),

Hafeez et al. (2012), Munawar et al. 2014) which states that service quality has a positive and significant effect on customer satisfaction

H1: Service quality has a positive and significant effect on customer delight.

Image as an impression, feeling, a picture of the public on the company an impression that is deliberately created from an object, person or organization. By forming a good image in the eyes of customers, this will increase Customer delight. The better the corporate image, the more Customer delight will increase. Research conducted by (Methag, 2016; Suratno et al. 2016; Kai and May, 2011; Chung and Mei, 2011; Majid, 2016) found that image a company has a positive and significant effect on Customer delight.

H2: Image has a positive and significant effect on customer delight

Service quality is a major factor affecting customer loyalty because customers who are satisfied with their personal values and experiencing a positive mood towards service will have high loyalty to the company. Customers are often disloyal due to poor service or lower quality of service than customers expect. Research conducted by Starini (2013) states that service quality certainly has a positive and significant effect on customer loyalty.

H3: Service quality has a positive and significant effect on loyalty customer

Corporate image is an impression, feeling, a picture from the public towards a company, an impression that is intentionally created from an organization. By forming a good corporate image in the eyes of customers, this will increase customer loyalty to the company. The better the corporate image, the more loyalty the customer will get. Research conducted by (Methag, 2016; Suratno et al. 2016; Kai and May, 2011; Chung and Mei, 2011; Majid, 2016) found that corporate image has a positive and significant effect on customer loyalty.

H4: Corporate image has a positive and significant effect on customer loyalty.

Customer delight and customer loyalty relate to one another. The relationship between customer delight and loyalty is influenced by product characteristics and purchasing patterns. If the customer has a pos-

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itive attitude towards a brand, the customer will be satisfied. So that these customers try to attract and advise others to become new customers.

H5: Customer delight has a positive and significant effect on customer Loyalty.

Customer delight has a role in mediating effect of service quality on customer loyalty. If the quality of service increases, then customers will feel really happy so that they will remain loyal to the company while they are still trying to attract and advise others to become new customers.

H6: Customer delight plays a role in mediating effect of service quality on customer loyalty.

Customer delight has a role in mediating effect of corporate image on customer loyalty. If the Corporate image increases, then customer pleasure will increase and customer loyalty will also increase and in the end they will try to attract and advise others to become new customers.

H7: Customer delight plays a role in mediating effect of corporate image on customer loyalty.

4 | RESEARCH METHODOLOGY

This study uses a quantitative method research design to test models and instruments that have been developed by previous researchers through inferential statistics, namely by using Structural Equation Modeling (SEM), with the Partial Least Square (PLS) approach.

Variables and measures

There are four variables involved in this study, namely the quality of ATM services, whose indicators were adapted from Narteh (2013), customer satisfaction, whose indicators were adapted from Selnes (1993), customer trust whose indicators were adapted from Moin et al. (2017), and the intention to save again, the indicator of which was adapted from Fang et al. (2011). The indicators of each construct have been tested empirically and have been used in previous empirical studies shown in Table 1. All items as research instruments use five point Likert scale ranging from "strongly disagree (1)" to

"strongly agree (5).

Construct validity and reliability

The results of the validity test by involving 30 respondents showed a significant positive correlation and Cronbach Alpha each dimension and construct was above 0.70, according to the criteria (Ghozali, 2011). Table 1 shows all indicators are declared valid and constructs or dimensions are declared reliable.

Sampling

A total of 285 respondents were involved in this study as the sample size obtained based on the sample calculation, with the characteristics as shown in Table 2. Most of the respondents were female and the age characteristics were mostly dominated by ages 26-33 years. This type of age is the productive age and in general it is easier to understand the use of ATM services compared to those aged 50 years and over. Based on the type of work, more respondents work as private employees because the closest agencies are dominated by private offices.

Data Analysis

Measures how well the observation value is generated by the model. Q^2 based on a structural model evaluated with aspect to Q^2 predictive relevance model with the coefficient of determination of all dependent variables. Quantity Q^2 has a range value of $0 < Q^2 < 1$, the closer to the value 1, the better the model. In this structural model, there are two endogenous (dependent) variables, namely; customer delight (Y1) and loyalty (Y2). The coefficient of determination (R^2) of each dependent variables shown in Table 3 below:

Based on the table 5.9 above, the results of the structural model evaluation prove that the value of Q^2 (0.921) is close to number 1. Thus, the results of this evaluation provide evidence that the structural model has a goodness of fit model. These results can be interpreted that the information contained in the data is 92.1% that can be explained by the model, while the remaining 7.9% is explained by errors or other variables that are not yet in the model.

RESULTS AND DISCUSSION

Direct Effect Testing Result

The results of the coefficient validation test Path on each path for direct effect can be presented in Table 4

TABLE 1: Results of Test Validity and Reliability Research Instruments

Variable	Dimension	Indicators	Correlation Significant	Cronbach Alpha
Service Quality (X1)	Tangible (X1.1)	Equipment (X1.1.1)	0.833 (**)	0.949
		Physical facilities (X1.1.2)	0.922 (**)	
		Employee performance (X1.1.3)	0.779 (**)	
		Service material attractiveness (X1.1.4)	0.835 (**)	
	Reliability (X1.2)	Keeping promises (X1.2.1)	0.759 (**)	
		Interest in solving problems (X1.2.2)	0.731 (**)	
		Doing the right service (X1.2.3)	0.525 (**)	
		Fulfilling promises immediately (X1.2.4)	0.782 (**)	
		Free of errors (X1.2.5)	0.626 (**)	
	Responsive-ness (X1.3)	Fast information (X1.3.1)	0.922 (**)	
		Speed (X1.3.2)	0.860 (**)	
		Preparedness for help (X1.3.3)	0.921 (**)	
		Always have time to serve (X1.3.4)	0.799 (**)	
	Assurance (X1.4)	Trust (X1.4.1)	0.919 (**)	0.948
		Giving a feeling of security (X1.4.1)	0.899 (**)	
		Polite (X1.4.1)	0.911 (**)	
		Having knowledge (X1.4.2)	0.869 (**)	
	Empathy (X1.5)	Giving individual attention (X1.5.1)	0.864 (**)	
		Comfortable operating hours (X1.5.2)	0.835 (**)	
		Giving personal attention (X1.5.3)	0.835 (**)	
		Understanding the specific needs (X1.5.4)	0.814 (**)	
Corporate Image (X2)	Financial prospects (X2.1)	Profitability (X2.1.1)	0.805 (**)	0.957
		Financial growth (X2.1.2)	0.881 (**)	
		Health financial performance (X2.1.3)	0.884 (**)	
		Financial future prospects (X2.1.4)	0.876 (**)	
	Market presence (X2.2)	Popularity (X2.2.1)	0.835 (**)	
		Understanding of market presence (X2.2.2)	0.903 (**)	
		As Market Leader (X2.2.3)	0.578 (**)	
		Market Power (X2.2.4)	0.865 (**)	
	Corporate management (X2.3)	Leadership Professionalism (X2.3.1)	0.821 (**)	
		Leadership character (X2.3.2)	0.900 (**)	
		Morale (X2.3.3)	0.810 (**)	
		Good management system (X2.2.4)	0.909 (**)	
		Flexibility Leadership (X2.3.5)	0.891 (**)	
	Corporate Communication (X2.4)	Publicity (X2.4.1)	0.901 (**)	0.957
		Positive media coverage (X2.4.2)	0.791 (**)	
		Website (X2.4.3)	0.939 (**)	
		Clarity of annual reports (X2.4.4)	0.961 (**)	
Customer delight (Y1)	Confirmed (Disconfirmative Dimension) (Y1.1)	Having a pleasant experience (Y1.1.1)	0.600 (**)	0.949
		Enthusiasm to help (Y1.1.2)	0.891 (**)	
		Very helpful and polite staff (Y1.1.3)	0.899 (**)	
		Overall satisfactory service (Y1.1.4)	0.913 (**)	
		Feeling treated as someone important (Y1.1.5)	0.730 (**)	

		Feeling treated with respect (Y1.1.6)	0.830 (**)	
		Feeling exceeded expectations (Y1.1.7)	0.672 (**)	
	Affective Dimension (Y.1.2)	Feeling a pleasant surprise (Y.1.2.1)	0.832 (**)	
		Feeling excited (Y.1.2.2)	0.741 (**)	
		Product attractiveness (Y.1.2.3)	0.854 (**)	
		Feeling stimulated (Y.1.2.4)	0.727 (**)	
		Feeling special (Y .1.2.5)	0.868 (**)	
		Feeling lucky (Y.1.2.6)	0.813 (**)	
		Feeling that you received an unexpected surprise (Y.1.2.7)	0.819 (**)	
Loyalty (Y2)	-	Making regular repeat purchases (Y2.1)	0.817 (**)	0.748
		Providing references to others (Y2.2)	0.852 (**)	
		Purchase of products and services between lines (Y2.3)	0.504 (**)	
		Indicates immunity to the pull of competitors (Y2.4)	0.816 (**)	

Source: Data processed by SPSS Statistic 23 (Appendix)

Note: ** = Significant level $p < 0.05$

TABLE 2: Characteristics of Respondents as Samples

Characteristics of Respondents	Total	Cumulative
Gender		
Male	167	58.6%
Female	118	41.4%
Total	285	100%
Age		
years	57	17.3.0%
26 - 33 years	49	17.2%
34 - 31 years	42	17.9%
42 - 49 years	74	14.7%
50 - 57 years	61	26.0%
50 - 57 years	2	21.4%
Total	285	100%
Occupation		
BUMN	4	1.4%
Civil Servants	142	49.8%
Private Employee	41	14.4%
Student / Student	37	15.3%
Entrepreneur	11	13.0%
Others	50	17.5%
Total	285	100%

TABLE 3: Goodness of Fit

Structural Model	Dependent Variable	R-Square
1	Customer delight (Y1)	0.868
2	Loyalty (Y2)	0.825
Calculation Q2:		
$Q2 = 1 - [(1 - R12) (1 - R22)]$		
$Q2 = 1 - [(0.247) (0.319)]$		
$Q2 = 1 - 0.078750$		
$Q2 = 0.921$		

TABLE 4: Direct Effects Testing Results

No	Relationship between Variables	Path Coefficient (Bootstrapping)	t- Statistics	Informa- tion
1	Quality of service (X1) -> Customer delight (Y1)	0,540	5,784	Significant
2	Corporate image (X2) -> Customer delight (Y1)	0,408	4,460	Significant
3	Quality of service (X1) -> Loyalty (Y2)	0,492	5,193	Significant
4	Corporate image (X2) -> Loyalty (Y2)	0,954	11,159	Significant
5	Customer delight (Y1) -> Loyalty (Y2)	0,432	6,543	Significant

below:

Information from Table 4 above, it can be determined the results of hypothesis testing which are described in the following description:

1. The path parameter coefficient service quality variable with Customer delight of 0.540 with a T-statistic value of 5.784 (T-statistic > 1.96) Hypothesis 1 (H1) which states that quality as service has a positive and significant effect on customer delight can be accepted. This means that the better the quality of service, the more customer delight will be.
2. The path parameter coefficient obtained from the relationship between the corporate image variable and customer delight is 0.408 with a t-statistic value of 4.460 (t-statistic > 1.96) hypothesis 2 (H2) which states that corporate image has a positive and significant effect on customer delight, acceptable. That is, the better the corporate image, the more customer delight will increase.
3. The path parameter coefficient obtained from the relationship between the service quality variable and loyalty of 0.492 with a t-statistic value of 5.193 (t-statistic > 1.96) hypothesis 3 (H3) which states that service quality has a positive and significant effect on loyalty, acceptable. This means that the better the quality of service, the more loyalty customer will increase.
4. The path parameter coefficient obtained from the relationship between the variable corporate image and loyalty of 0.954 with a t-statistic value of 11.159 (t-statistic > 1.96) hypothesis 4 (H4) which states that corporate image has a positive and significant effect on loyalty, acceptable. This means that the better the corporate image, the loyalty customer will increase.
5. The path parameter coefficient obtained from the relationship between the variable Customer delight and Loyalty of 0.432 with a t-statistic value of 6.543 (T-statistic > 1.96), hypothesis 5 (H5) which states that Customer delight has

a positive and significant effect on loyalty, acceptable. This means that the higher the customer delight, the higher the loyalty customer.

Indirect Effect Testing Result

In testing the following hypothesis, the mediating role of the variable will be analyzed Customer delight on the indirect effect of service quality and corporate image on customer loyalty. The indirect effect hypothesis testing in this study is presented in Table 5 below:

Based on Table 5.11 indirect influence of Quality of Service and Corporate image of the Loyalty has significant value, it can be seen from the value of t statistics both are $3.963 > 1.96$ and the p value is $0.000 < 0.05$. Then to see whether Customer delight has the effect of perfect mediation (full mediation) or partial mediation, you can see the value of Variance account for (VAF), which is to calculate the effect of Service Quality and Corporate image on Loyalty while still including the influence of the mediator (Customer delight).

From the test it appears that when the influence of the mediator is included in the model it can be seen that Service Quality has a significant effect on Loyalty. This is different from the first step when the mediator's influence is not included in the model. With the loss of the direct influence of Service Quality and Corporate image on Loyalty, it can be said that Service Quality and Corporate image have the effect of full mediation. Calculation the value of the Variance Account For (VAF) can be done with a formula:

$$VAF = \frac{\text{indirect effect}}{\text{direct effect} + \text{indirect effect}}$$

The calculation results is presented in Table 6 Table 6 as follows:

According to Ghazali (2009), a variable is said to mediate if the relationship A to B is significant and B to C is also significant. To find out the existence of perfect/ partial mediation, it can be done by looking at the VAF value. Based on the calculation of the VAF value in this study, the mediating role of the Customer delight variable on the indirect effect of service quality on customer loyalty is 32.2%, which

TABLE 5: Results of Testing for Mediation

No	VariablesMediation Variables	Path Coefficient (Bootstrapping)	t- Statistics	Informa- tion
1	Quality of Service (X1) -> Customer delight (Y1) -> Loyalty (Y2)	0.233	3.963	signifi- cant
2	Corporate image (X2) -> Customer delight (Y1) -> Loyalty (Y2)	0.176	3.963	signifi- cant

TABLE 6: Calculation andInfluence Direct influence Indirect

No	Relationships between variables	Direct Impact	Indirect Impact	Total
1	Quality of service (X1) -> Customer delight (Y1)	0.540		0.540
2	Corporate image (X2) -> Customer delight (Y1)	0.408		0.408
3	Quality of service (X1) -> Loyalty (Y2)	0.492		0.492
4	Corporate image (X2) -> Loyalty (Y2)	0.954		0.954
5	Customer delight (Y1) -> Loyalty (Y2)	0.432		0.432
6	Quality of Service (X1) -> Customer delight (Y1)	0.233	0.540 x 0.432	0.322
			0.492 + 0.233	
7	Corporate image (X2) -> Customer delight (Y1)	0.176	0.408 x 0.432	0.156
			0.954 + 0.176	

means that the Customer delight variable perfectly mediates the relationship between service quality and customer loyalty. Likewise, the mediating role of the Customer delight variable in the indirect effect of company image on customer loyalty is 15.6%, which means that the Customer delight variable perfectly mediates the relationship between company image and customer loyalty.

Hypothesis testing results show, all pathways are obtained from the relationship between the variable service quality and customer delight, the relationship between the variable company image and customer delight, the relationship between the variable service quality and loyalty, the relationship between the variable company image and loyalty, the relationship between the variable customer delight and Loyalty has a positive and significant effect. Likewise, Customer delight perfectly mediates the relationship between service quality and customer loyalty. Customer delight perfectly mediates the relationship between company image and customer loyalty. The overall mediation of the Customer delight variable on the indirect effect of service quality on loyalty is greater when compared to the mediation of the Customer delight variable on the indirect effect of company image on loyalty.

The most prominent age group in transactions at this bank is the age group 42 to 49 years. The importance of service and company image is proven by Customer delight on the indirect effect of service quality on loyalty is greater when compared to the mediation variable Customer delight on the indirect effect of company image on loyalty.

The results of the service quality research have a positive and significant effect on customer delight supports the research conducted by (Mosahab and Ahamad. 2010), Hafeez et al. (2012), Munawar et al. (2014), the results of the image research have a positive and significant effect on Customer delight supports the research conducted by (Methag, 2016; Suratno et al. 2016; Kai and May, 2011; Chung and May, 2011; (Methag, 2016; Suratno et al. 2016; Kai and Mei, 2011; Chung and Mei, 2011; the results of research on Service Quality have a positive and significant effect on Customer Loyalty.

The results of the research on corporate image have a positive and significant effect on customer loyalty, which supports the research conducted by (Methag, 2016; Suratno et al. 2016; Kai and May, 2011; Chung and Mei, 2011; Majid, 2016), the results of the research by Customer delight have a positive effect. and significant towards Customer Loyalty supports

research conducted by Sudarsi (2008) and Hariri & Anindita (2009).

4

CONCLUSION

The important conclusion of this research is that customer delight perfectly mediates service quality and company image to increase customer loyalty. Based on this, it is necessary to pay attention to service quality and company image without neglecting other factors.

This study uses a limited sample at a bank in Denpasar. It is highly recommended that future research be carried out in various organizations so that the results are able to represent generalizations of the truth.

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