



IMPLEMENTATION OF SERVICE STRATEGIES IN INCREASING MEMBER SATISFACTION AT KSPPS NURI PAKONG BRANCH

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Abstract: This study aims to analyze the implementation of service strategies in increasing member satisfaction at the KSPPS NURI Pakong Branch. A good service strategy is key to maintaining and increasing member satisfaction, which in turn can strengthen loyalty and trust in the institution. This study uses a descriptive approach with a qualitative method, where data is collected through interviews, observations, and documentation studies. The results of the study show that the implementation of the service strategy at KSPPS NURI Pakong Branch has been quite effective in increasing member satisfaction. This is reflected in the improvement in the quality of interaction between officers and members, the speed of service, and the ease of accessing services. However, there are still several aspects that need to be improved, such as service consistency and improving human resource competence. These findings provide insight for KSPPS NURI to continue to improve and optimize its service strategy to achieve higher member satisfaction.

Keywords: Service Strategy, Member Satisfaction, KSPPS, Service Quality

INTRODUCTION

Sharia Savings and Loan and Financing Cooperatives (KSPPS) have an important role in supporting the community's economic development through the provision of sharia-based financial services. KSPPS NURI Pakong Branch, as one of the Islamic financial institutions, is committed to providing quality services to its members. In this context, member satisfaction is the main indicator of the success of KSPPS in carrying out its operations. Member satisfaction not only reflects the quality of service received but also affects member loyalty and the sustainability of the institution. Along with the increasingly fierce competition in the Islamic finance industry, KSPPS NURI Pakong Branch needs to continue to innovate and implement effective service strategies. A good service strategy not only focuses on providing financial products that follow Sharia principles, but also includes aspects such as speed, friendliness, and reliability in providing services. Therefore, understanding and evaluating the service strategy that has been implemented is an important step to increase member satisfaction.

This study aims to analyze the implementation of service strategies at KSPPS NURI Pakong Branch and its impact on member satisfaction. Through a descriptive approach and qualitative methods, this study will examine the extent to which the service strategy implemented is able to meet the expectations of members and what the factors that need improvement. The results of this study are expected to provide recommendations that are useful for the development of service strategies at KSPPS NURI and increase member satisfaction and loyalty. In the world of Islamic financial services, the quality of service is one of the determining factors for the success of an institution in building long-term relationships

with its members. The quality of service is not only determined by how good the financial products are offered, but also by the interaction between officers and members, as well as the speed and ease of the service process. At KSPPS NURI Pakong Branch, excellent service is expected to increase member satisfaction, which ultimately encourages loyalty and trust in the institution.

However, it is not uncommon for the service strategy to be well-designed, but the expected results have not been fully achieved. This can be caused by a variety of factors, such as inconsistencies in implementation, limited resources, or a lack of understanding of members' needs and expectations. Therefore, it is important to evaluate the service strategy implemented to ensure that each member gets services that are to the expected standards. This research is motivated by the importance of the role of service strategy in creating member satisfaction at the KSPPS NURI Pakong Branch. By examining how the service strategy is implemented and how much it affects member satisfaction, this study aims to provide a clear picture of the success of the strategy. In addition, this research will also identify the obstacles faced in the implementation of service strategies, as well as provide recommendations for future improvements. Thus, this research not only contributes to a deeper understanding of the relationship between service strategy and member satisfaction but also serves as a guide for KSPPS NURI Pakong Branch in developing more effective and efficient service policies. It is hoped that the results of this research can be a reference for the development of service strategies in other Islamic financial institutions that face similar challenges.

METHOD

This study uses a descriptive approach with a qualitative method (Juniatmoko, 2019). This approach was chosen to deeply understand how the implementation of the service strategy at KSPPS NURI Pakong Branch affects the satisfaction of its members. The qualitative method allows researchers to explore various perspectives from parties directly involved in the service process, as well as analyze non-numerical data.

1. Location and Research Subject

This research was carried out at KSPPS NURI Pakong Branch, which was selected purposively based on the consideration that this branch has a significant number of members and has implemented various service strategies. The research subjects consisted of KSPPS administrators, staff involved in the service, and KSPPS members who had experienced firsthand the services in the branch. The selection of informants was carried out by purposive sampling, with the main criteria being those who have knowledge and experience related to the services provided by KSPPS NURI Pakong Branch.

2. Data Collection Techniques

Data is collected through the following techniques:

- a. In-depth interviews: Conducted with management, staff, and several members of KSPPS to find out information about the implementation of the service strategy, the challenges faced, and its impact on member satisfaction.
- b. Participatory observation: The researcher conducted direct observation of the service process at KSPPS NURI Pakong Branch to understand how the service strategy was applied in daily interactions with members.
- c. Documentation study: Internal documents related to service strategy, member satisfaction reports, and service policies are analyzed to get a more complete picture of the implementation of the service strategy.

3. Data Analysis Techniques

The data obtained were analyzed using thematic analysis techniques, which involve the process of grouping data into themes relevant to the focus of the research. The stages of analysis include:

- a. Data collection: Organize the data that has been collected from interviews, observations, and documentation.
- b. Data encoding: Tags and groups data based on recurring themes or categories.
- c. Identify key themes: Find significant patterns or relationships between existing themes.
- d. Interpretation and drawing conclusions: Interpreting findings based on relevant theories and drawing conclusions related to the implementation of service strategies and member satisfaction.

4. Data Validity and Reliability

To ensure the validity and reliability of the data, this study applies a data triangulation technique, which involves comparing information obtained from various sources and different data collection methods. In addition, the researcher also conducted a member check with several informants to confirm the results of the interviews and data interpretation.

RESULT AND DISCUSSION

Formally, the definition of a cooperative can be referred to Article 1 Number (1) of Law No. 25 of 1992 concerning Cooperatives which states that a cooperative is a business entity consisting of members of a person or a legal entity of the Cooperative by basing its activities on the principle of Cooperatives as well as a people's economic movement based on the

principle of kinship. Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, and solidarity. In their founding tradition, cooperative members believe in the ethical values of honesty, openness, social responsibility, and concern for others.

Service is the key to success in various businesses in activities that are service-related. The role is greater if the service activity is quite fierce in an effort to seize market share or customers. So that in these conditions of quite fierce competition, every company must be able to provide quality service to retain customers. Service quality is the company's ability to provide the best quality service compared to its competitors (Akmal dkk., 2023). Sharia cooperatives are cooperatives that have their goals, principles, and business activities based on Sharia principles, namely the principles of Islamic law based on Sharia teachings and fatwas issued by the National Sharia Council of the Indonesian Ulema Council (Haris dkk., 2020). Sharia cooperatives based on the mandate of laws and regulations, in addition to being given the authority to be able to collect funds from the community as a manifestation of the function of investment managers, sharia cooperatives are also given the authority to be able to collect social funds such as zakat, infaq/sadaq and waqf.

This is based on Permenkop No.16 of 2015 concerning the Implementation of Sharia Savings and Loan and Financing Business Activities by Cooperatives, where one type of Sharia Cooperative is Sharia Savings and Loan and Financing Cooperatives which has the definition, namely cooperatives whose business activities include savings and loans and financing according to sharia principles, including managing zakat, infaq/alms and waqf (Susminingsih dkk., 2021). Based on this understanding, all forms of business carried out by sharia cooperatives must be halal, good, and useful, and do not contain elements of gambling, horror, usury, or other things that are contrary to sharia principles. In addition, efforts organized by Sharia cooperatives must refer to the fatwa of the National Sharia Council of the Indonesian Ulema Council and the regulations that apply in Indonesia.

Service in general is serving in activities that can provide the expected results from the needs of others, both individually, organizationally, and in society. According to the Decree of the Minister of State No. 63 of 2003 concerning State Institutions, services are all forms of service activities carried out by state institutions within state-owned enterprises, central, regional, and also regional-owned enterprises in the form of providing goods and services in the design of realizing the interests of the community and provided in the form of implementing the provisions of laws and regulations (Sunarta dkk., 2023).

In the book with the theme of public service management in Indonesia, service is a procedure in meeting needs through the activities of different people. The emphasis on this

meaning is the service that is handed over, which is related to all the efforts made by a person to reach goals that can produce satisfaction in the matter of meeting needs (Kurniawati & Nasution, 2021). Service quality is a statement about attitudes, relationships resulting from comparisons between *Expectations* (hope) with performance (results). According to Lupiyoadi, service quality is a measure of the extent to which a service provided can meet customer expectations. Meanwhile, according to Tjiptono, Quality of service is the expected level of excellence and control over the level of excellence to meet customer needs (Rahman, 2022).

Implementation of Service Strategy in Increasing Member Satisfaction at KSPPS Nuri Pakong Branch

Fast service is the expectation of every customer. Thus, KSPPS NURI Pakong branch pays attention to the main factors that influence customers to feel satisfied. One of the factors that determines the success rate of KSPPS NURI Pakong Branch is providing services to consumers, including the five dimensions of services:

1. Reliability

Reliability is the ability of KSPPS NURI pakong branch to provide the promised services accurately and reliably. This dimension is used to measure the reliability, capability, and accuracy of the company in providing services to customers. Because with this dimension, the company can be judged by customers from its ability to provide services in accordance with what is promised to customers, and how much the company can provide satisfactory service to customers.

2. Responsiveness (Daya Tanggap)

Responsiveness is the ability to provide fast and appropriate service to consumers. Customers' expectations for service will change from time to time. Letting customers wait without a clear reason leads to a negative perception of service quality. There is a wise, detailed direction to be able to respond to the procedures and performance mechanisms that apply in the organization, so that the form of service gets a good response.

3. Assurance (Jaminan)

Assurance is knowledge, manners, and skills in providing information, and the ability to instill consumer or customer trust in the company. This dimension may be very important for services that require a fairly high level of trust. In service to customers, employees must maintain politeness and hospitality because people will not be interested in a product if the seller lacks hospitality. Assurance is the knowledge and courtesy of the employee and the ability to convey belief. It also includes verbal and written communication between employees

and customers. This includes several components, including communication, credibility, security, competence, and good manners. Hospitality is one aspect of service quality that is easy to measure. One of the concrete forms that we often hear is 3S, namely greeting, greeting, smiling. In Islam, providing service must be gentle.

4. Empathy (Empathy)

Empathy is the ability of service providers to provide services responsively and accurately. The personal care and attention given to customers. The essence of the empathy dimension is to show customers, through the services provided, that customers are special and that their needs can be understood and met. It is hoped that KSPPS NURI Pakong branch has an understanding and knowledge of customers and understands specific customer needs (Fitriani & Kiki, 2018).

5. Tangible (Physical Evidence)

Tangibles (physical forms) are the emergence of physical facilities, equipment, personnel, and communication materials. The ability of the KSPPS NURI Pakong branch to show its existence to external parties. The appearance and reliability of the company's physical facilities and infrastructure, which are reliable in the surrounding environment, are tangible evidence of the services provided by the service provider. Which includes the building, equipment, and equipment as well as appearance of its employees (Keller & Kotler, 2006).

Excellent Service as a Strategy for Customer Retention and Acquisition at KSPPS NURI Pakong Branch

The services provided by the Islamic Savings and Loan Cooperative (KSPPS) NURI Pakong Branch are integral to the institution's strategy to retain existing customers and attract new ones. A customer-centric service approach is at the core of their business practices. This service encompasses speed and accuracy in transactions and includes friendly attitudes, effective communication, ease of access to information, and a personalized approach by staff toward customers. In this context, excellent service becomes a strategic element that cannot be overlooked. According to Ahmed dkk., (2022), service quality can be measured through five main dimensions, namely tangibles (physical evidence), reliability, responsiveness, assurance, and empathy. KSPPS NURI Pakong Branch appears to pay attention to these five aspects in its practices. For example, in terms of tangibles, the branch office arranges the service area cleanly and comfortably. In terms of reliability, services are provided on time and as promised. Responsiveness is evident in the staff's readiness to answer customer questions. Assurance is demonstrated through the staff's competence in explaining products and procedures clearly, while empathy is evident in the staff's friendly attitude and concern for customer problems.

This service approach is not merely a routine but an integral part of KSPPS's long-term strategy in building customer satisfaction. The theory of customer satisfaction states that satisfaction arises when customer expectations are met or even exceeded (Kotler, 2020). Customers of KSPPS NURI Pakong Branch who are satisfied with the service they receive tend not only to remain loyal (retention) but also become effective promoters through word-of-mouth recommendations. The satisfaction generated from optimal service contributes to customer loyalty. The theory of customer loyalty explains that sustained satisfaction will encourage customers to continue using a company's products/services and even increase the intensity of their transactions (Alam & Noor, 2020). In the context of cooperatives such as KSPPS, loyalty is very important, considering that the sustainability of cooperative businesses depends heavily on the trust and active participation of their members.

At KSPPS NURI Pakong Branch, this loyalty is evident from the high rate of member deposit renewals, increased demand for sharia financing, and customer participation in business development programs offered by the cooperative. Many customers also encourage their family members or relatives to join as cooperative members. This indicates that service not only impacts transactional relationships but also emotional connections between customers and the cooperative. In addition, good service also plays a role as an instrument for acquiring new customers. In relationship marketing theory, the strategy of building close relationships with customers is not only aimed at retaining old customers but also at creating a positive reputation that attracts new customers (Alexander & Jaakkola, 2015). KSPPS NURI utilizes this approach by promoting warm social interactions, providing education to the village community, and strengthening family ties between staff and cooperative members.

The local context also significantly influences the success of KSPPS NURI Pakong Branch's service strategy. As a community-based Islamic financial institution, the approach adopted cannot fully adopt the model of large corporate banks. Services here are tailored to local wisdom, family values, and the Madurese cultural approach that values politeness, honesty, and social relationships. This aligns with the *community-based financial services* approach, which emphasizes community participation in financial management and service delivery. Furthermore, the success of KSPPS NURI in enhancing customer satisfaction and loyalty can also be analyzed using the *Value Co-Creation* theory proposed by (Jayashankar dkk., 2019). In this framework, customers are not merely passive recipients of services but active partners in creating value. For example, members of KSPPS NURI are involved in annual member meetings, receive entrepreneurship training, and are asked for input in product development. This interaction creates added value for both customers and the cooperative,

resulting in more collaborative and long-term relationships.

On the other hand, the services provided by KSPPS NURI are not only administrative but also educational. Many customers lack a full understanding of the Islamic financial system, so cooperative staff take on the role of educators. This aligns with the *service-dominant logic* in marketing, which emphasizes that value is created through interaction and education between service providers and customers (Anggraini dkk., 2024). The educational value of this service also strengthens KSPPS NURI's position as an institution that not only seeks profit but also plays an active role in community economic empowerment. Excellent service also forms the basis for the creation of trust, which is the most fundamental element in the context of Islamic cooperatives. Trust is built through consistent service, transparency of information, and alignment between cooperative values and Islamic teachings. From the perspective of trust theory Gamage dkk., (2024), honest and reliable service strengthens customers' commitment to the institution. This is reflected in KSPPS NURI's practices, which always emphasize the principles of honesty in financing, clarity of agreements, and the halal nature of financing products. Therefore, service is not merely a technical activity but a comprehensive strategy encompassing relational, educational, spiritual, and social aspects. Through high-quality service, KSPPS NURI Branch Pakong not only retains existing customers but also creates a healthy, sustainable financial ecosystem rooted in local values and Sharia principles.

CONCLUSIONS

This study concludes that the implementation of service strategies at KSPPS NURI Pakong Branch in general has succeeded in increasing member satisfaction. Some of the key factors that contribute to this success include the quality of interaction between officers and members, speed in the service process, and ease of access to the services provided. This effective service strategy not only increases member satisfaction but also strengthens members' loyalty and trust in KSPPS NURI as a professional and reliable Islamic financial institution. However, this study also found that several challenges need to be overcome to achieve more optimal member satisfaction. These challenges include consistency in the implementation of service strategies across branches, as well as improving the competence of human resources who play a direct role in providing services to members. Inconsistencies in the implementation of strategies can reduce the quality of service experience received by members, making it an area that needs special attention from management.

This research also shows that to increase member satisfaction in a sustainable manner, KSPPS NURI Pakong Branch needs to continue to evaluate and innovate its service strategy. This includes improvements to the digital service system, which allows members to access services more easily and quickly, as well as the development of an ongoing training program

for staff to ensure that they are always ready to deliver high-quality services. Overall, the findings of this study confirm the importance of a structured and measurable service strategy in achieving member satisfaction. By improving and optimizing the service strategy, KSPPS NURI Pakong Branch can maintain and even increase member satisfaction, which will ultimately contribute to the growth and sustainability of the institution.

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