EFFECT OF CREDIT AND LOAN INTEREST RATE ON CUSTOMER SATISFACTION
(Case Study PT Bank Mandiri)

Celestina de Carvalho Teles[1], Elido Dearaujo[2], Guilhermino Mendonça[3]

Faculty of Economics, Banking Department, Univesidade Da Paz
TIMOR LESTE
Email : boscojhonnie@gmail.com

ABSTRACT

This paper With Title "credit application and influence " s rate of interest zooming credit to client satisfaction. (Case study on PT Dili East Timor 'sindependent Bank) .With severally Reviews those amongst formula: Validity quiz and Reablita: validity quiz (full scale coleration) done by SPSS to see correlation of each item [ervariabel "s indicator by default assesses 0:30, meanwhile releablitas (Cronbach's Alpha) per variable by default assesses 0.60.T herefore of each indicator derived yielding pervariable is valid Because the whole lot average value upon 0.364 or r r $\geq$ computing table, the which is r table as big as 0.279 meanwhile releablitas (Cronbach's Alpha) pervariable is the whole lot upon the value 0.751.

Classic assuming quiz: multicolonearitas's quiz Among the variables X1 and X2 assesses 0:10 tolerance average under the which is as big as 0598 and WIF'S average values upon 10, the which is as big as that result multicololineal.Autocoleration 1.043.Of Durvin assesses Watson (DW) upon 2 and under + 2 the which is as big as its mean Autocolerace 1,678.

Hipthesis: to test writer hipthesis 3 (Three) variable the which is: independent's variable (x1) credit application and credit rate of interest zoom (x2) and dependent'variable

(Y) cliend satisfaction cnows influence of free variable to variable bonded, therefore date analysis tool that Utilizes writer is bifilear linear regression as vollows:

Linears regression obserbational result bifilar x1 Y = 15.122 + 0.132 + 0.310 wicth x2's point determinand coefficient r Square (r2) as big as 0097% or 0097% means

contributions given auto fiven as big as 0097 or 0097% meanwhile its flant (100- 0.97%) = 99.9% regarded by unalized of variable deep observational it.

Credit application variable (x1) are not influential to client satisfaction (Y) since appreciative computing as Compared to t table on trusty zoom 95 % point out that are even greater computing t of t table or 2.828$\leq$ 2,021 .

Variable rates of interest level credit (x2) having positive influence and significant to cliend satisfaction (Y) since appreciative t computing as comparet to t table on trusty

Zoom 95 % point out that t are even greater of t table or 2.944$\leq$ 2,021 .

Credit application variable (x1) and the credit rate of interst zoom (x2) to gether all simultaneous ' ; s all have influence that significand to CLIANT *satisfaction (Y) since apprresiative f compusing as Compared to point f*

table on trust zooming 95 % point out compusing that point f ≥ f table wicth is (2.986≤4.82) .

Key word: credit application and credit influence rate of interest zooming to clientsatisfaction

INTRODUCTION

The economy is a very important role in promoting growth and development in Timor-Leste, in particular in the field of economics One of the strategic business field in support of national economic growth, is basically a bank. Bank is a financial institution that has the potential to manage public funds effectively and efficiently through the main activities that raise funds and distribute funds to the community in the form of credit.

Bank Mandiri, which has a primary function, to give credit to the people the economy is weak who need a period, credit is one part of the formation of capital carried out by financial institutions, in this case the bank to society in an effort to encourage the performance of the business so that it can be used to increase profits the work done by the people individually or in groups, to perform the function as a financial institution, the bank that optimize lending to customers, but the credit provided by the bank does not cover the ability to risk, so the implementation should observe the principle - the principle of prudent credit has fundamentally stronger.

Bank Mandiri credit is a savings and loan services to the people of Timor - Leste. Government institutions have a very important role as part of the development process both in the real and non real sector. In the real sector, namely development unit - a business unit of society through the provision of venture capital, which in turn is the development of operating profit. While non-real is to invest funds in a letter prices (financial assets) are expected in the loan repayment for example in the future. Therefore, the credit granting process must be completely berbijak to 5C, Character, Capacity, Capital, Collacteral and Condition of Economy. Selalin berbijak at 5C also need to establish the principle of repayment, in order to appoint the continuity of the bank.

Mortgage interest can be defined as the price that must be interpreted as the price to be paid by the bank for services provided through a transakksi committed by both sides between the bank and the customer.

The interest rate on loans granted by a bank or non-bank increases, the interest of customers decreases, and vice versa if the interest rate of loans granted by a bank menurung the interests of customers increases, the lending rate for banks is a source of bank profits, but for the debtor credit interest as the price to be paid to the bank for services rendered. Lending rates need to be set in the granting of credit because the interest will be used to finance long-term liabilities and current liabilities. As a source of profit as well as a lending bank requirements set forth in the lending decisions.

To realize the pattern of development oriented to increase people's income, the government of Timor-Leste are running one program packages by opening the Bank with the aim to give credit to the people who need funds to increase the income of the customer, both get credit at the bank conceptually policies have been decided by the bank.

Services carried out by the Bank in lending to borrowers experiencing keterbatasanan determined amount of funds, therefore the development of a business activity need for resources to provide funds to finance the activities of the operating profit growing. Bank Mandiri with the main objective to provide service to the people of Timor Leste .

Bank Mandiri channeling funds to communities in need of funds in the form of credit . One way to achieve the government's objective is the management of credit from the government . This is

a positive alternative for people engaged in small-scale enterprises with the aim of increasing operating profit in the end to earn profits or income from the business itself .

Problems of - a problem often faced by the Bank in lending usually arise because of a lack of supervision, so often there is a delay in the repayment of loans, and interest rates are always changing - change (up and down), causing difficulties for people in return of credit and management systems banks are less stringent in the analysis so that the onset of bad loans.

Satisfaction is the level of one's feelings after comparing the performance (or the perceived outcome compared with expectations. So the level of satisfaction is a function of the difference between the perceived performance with expectations. Customer satisfaction fully meets the basic needs of customers, shows the type of credit card that a person needs customers . He asked details about the credit card and then tried and finally he used to meet the expectations of customers in a way that can make them come back again. shows the credit card a customer needs. It shows also the type of credit card what is required, explained the benefits, then in checks and tested, and then processed, and asked if he needed more facilities or not.

Doing more than what customers expect, also explained various things about the quality of the credit card and the differences of each type of credit card, the advantages of the use, after it is processed after completion give a smile and say thank you.

LITERATURE REVIEW
Lending.

Komaruddin (2004 case 151) states, "credit is to pay off liabilities after a certain time with (usually) a number of flowers in the first set.

Teguh Mulyono Pudjo (1993, p 10) lending is the ability to implement a provision of the achievements or hold a loan with a promise of payment will be made on an agreed period.

The Elements Contained in Lending are as follows:

1. Belief

   Trust is a trust for the lender that loans actually received back in the future in accordance with the credit period. Trust given by the bank as the main basis underlying why a bold diluncurkan.Oleh credit because it was before the credit was launched first performed an analysis of the loan application of the customer.

2. Agreement

   Besides the element of trust in the credit also contained elements of an agreement between the lender and the recipient of this kredit.Kesepakatan contained in an agreement each party came to the rights and obligations of each.

3. Duration

   Each credit is given for a certain period, this period include repayment period of loans that can be shaped a short-term (under one year) .

4. Risk

   Due to the tenggan time , the repayment will allow a risk of default . Semaking length of a credit period , the greater the resikonya.Resiko semaking is dependent bank , either intentional or unintentional customers .

5. Remuneration

   For bank remuneration is profit or income derived from lending .

   Budi , fortunately H. (2000 ; 1) the provision of credit is the provision of achievement (money or goods) by the accomplishments that will occur in the future

Principles of Lending

There are several principles of credit ratings are often done is to 5C analysis, 7P analysis and feasibility study. The principle of credit with credit 5C analysis can be explained as follows:

1. Character

   Assessment character is the nature or character of a person in a prospective borrower in this case. The aim is to give confidence to the bank that, the nature or character of the people who are given credit can really be trusted.

2. Capacity

   To look at the ability of a borrower to pay the loan associated with its ability to manage the business as well as the ability for profit.

3. Capital

   Typically banks will not be willing to finance the business 100% means that every customer applying for credit must also provide funds from other sources, or in other words, equity capital is to find sources of financing to businesses owned by their customers which will be financed by the bank.

4. Collateral

   A prospective customer guarantees provided both physical and non fisik.Jaminan should exceed the amount of credit must also be examined usahannya diberikan.Jaminan, so if there is a problem, then the guarantee deposited will be used as soon as possible. Assurance function is as a protective bank of the risk of loss.

5. Condition

   In assessing the credit should also assessed the economic conditions now and for the foreseeable future suit each sector. In a less stable economic conditions should be lending to a particular sector should not be given in advance, and if so granted sebaknya also by looking at the business aspect in the future.

Lending Rates

The interest rate is a monetary phenomenon, which means interest rates are determined by supply and supply of money is determined in the money market. Money will affect economic activity all the time and the interest rate will further affect the desire to hold investments and will affect Groos National Product (GNP) (Nopirin1993: 90).

Gilarso, (2000: 282) states that the level of interest rates as well as the causes and consequences lively debate among economists keuangan.Suku interest is the price of credit, while the key of high interest rates is kekhawatiran.Masyarakat kwatir that the dollar value is stored in banks would decline, this is no reason for concern.

Hasibuan Malay (2001: 35) states that interest is a return for a loan of money or goods that are paid by the debtor to the creditor. A factor of production in lakasanakan because there is demand for output. Therefore, the demand imput, in this case the flower is called a derived demand. Demand output, itself was regarded as the original request because arise as a result of human needs Budi, fortunately H. (2000: 57).

From the opinions above, the authors conclude that the interest rate increases tigkat depending on supply and demand to be paid by the customer within the period determined by the banking institutions.

The price difference of buying and selling that is applied to the differences in lending and deposit interest called the spread. Application of interest found in conventional banks can be split into two types, namely Winardi (1989: 148)

1. Interest savings

   Deposit interest is a certain price level paid by the bank to customers on deposits in lakukanya . The savings rate , given by the bank to provide a stimulus to depositors in order

to place their funds in banks bank.Beberapa give extra interest to customers who place their funds on deposit with a number of teretntu . This is done so that bank customers will always increase the savings funds.

2. Interest on loans

Interest loans or lending a certain price to be paid by the customer to the bank for loans in obtain it . For banks , interest on the loan is in the selling price charged to customers in need of funds, to make a profit , then the bank will sell at a higher price Than purchase price . It means a higher interest rate compared to deposit rates .

Interest on loans and deposits is the main income and expense for banks. lending is the main component of income obtained by the bank. Disbursement of funds in the form of loans undertaken by the bank occupies the largest portion of bank assets.

Kotler, Philip (2000: 52) is the level of satisfaction of one's feelings after comparing the performance or results that he felt compared to expectations Irawan, satisfaction is the feeling of pleasure or disappointment of someone who gets an impression of comparing results with the hope-service performance harapannya.berpendapat that satisfaction or dissatisfaction is a response to the customer as a result and performance evaluation discrepancy / action that is felt as a result of unfulfilled expectations. It is also stated by

Sugito which states that the level of satisfaction is a function of the difference between the perceived performance with expectations, if performance is below expectations then the customer will be disappointed.

Rochin, (2004: 50) argues that customer satisfaction is a desire aspired to be achieved. Employees provide good service then was reached a desire envisioned, if customers are satisfied with the services that employees provide a more definite cool partnering with employees.

The majority of bank employees must have the principle that customer satisfaction has always been the number one if customers are satisfied with the services provided by the bank employees, so that customer more cool partner, although there is little shortage of employees has, however due to already established a good relationship, it will not easily move to another bank.

Kotler Armstrong (2000: 42) argues that customer satisfaction is the feeling of pleasure or disappointment that emerged after comparing the perception or kesangnya on the performance of a product or expectations.

Satisfaction is a function of perception or Kesang on kenerja and expectations, if dibahwa performance expectations, the customer is not satisfied. If performance meets customer expectations, the customer is very satisfied or pleased. Many banks are focusing on high satisfaction due to the customer's satisfaction is only fitting to change your mind when you get a better offer, so that customers very satisfied more difficult to change their votes.

Gari Armstrong, (2001: 9) as far as the notion of satisfaction is the product performance meets expectations. When performance is lower than the expectations of the consumers were satisfied or very happy.

Fandy Tjiptono, (1997: 73) Based on the description of some of the experts mentioned above, it was concluded that satisfaction is feeling happy.,

Customer Satisfaction

Philip Kotler (1997: 38) Customer satisfaction is divided into 2 (two), namely:

a. Functional satisfaction, the satisfaction derived from the function or use of a product. For example, the needs and desires of customers.

b. Psychological satisfaction, the satisfaction derived from the attributes that are intangible. For example, the feeling of pride as it gets customer services are concerned.

Based on the description and discussion of what has been stated previously, the researcher concludes that the weakness is service bank that has not been able to provide customer satisfaction savers, there is often a queue when depositing or withdrawing cash, interest rates are lower than competitors and a lack of promotional activity by Bank Mandiri.

RESEARCH METHODS
Population
Population is a combination of all elements in the form of events, things or people who own a similar characteristics at the center of the universe (Ferdinand, 2006: 223). The population in this research are 69 customers overall amount of data that is captured in the form of a census in the two years 2012 and 2013. 32 customers 37 customers in an independent bank that is used as an object of research dibankman diri.Dengan using the following formula:

Samples
The sample is part of the number and characteristics possessed by this population. In this research are not all members of the population is taken, 40 customers but only a portion of the population. By using the following formula Surgiono

Test validity
Validity test to measure whether legitimate or valid questionnaires with a value of 0.30. A questionnaire is said to be valid if the questions on the questionnaire Manpu. Gojali Faith (2001; 142). Test the validity of the research on the use correlates with how to perform correlation between questions in a variable concept.

Test Releablitas
One questioner said to be reliable or reliable with a value of 0.60 when someone answers to questions are kosisten or stable over time (2001; 140)

RESULT AND DISCUSSION
According Nunally, 1967. While the reliability shown by Cronbach Alpha of 0.878 or 87.8%. Therefore the instrument to measure the variable interest rate (X2) is valid and reliable in the categories of reliability satisfactory.

Multiple Linear Regression
Multiple linear regression analysis is a tool to determine the effect of the provision of credit and variable interest rates on customer satisfaction. A common form of multiple linear regression equation as follows:

$$Y = 15.122 + 0.310 X2 + 0,132X1$$

From the data that can be gathered that in the study, the results of the following calculations:
• Constant Value 15 122 showed that customer satisfaction with Bank Mandiri Dili, East Timor, before it is affected by the variable lending and savings interest rates have a constant value of 15 122
• β1 = 0.132 correlation coefficient of the lending (X1) .Artinya that there is a change concerning one percent at Bank Mandiri Branch Dili East Timor can increase customer satisfaction (Y) of 0.132 on the assumption that interest rates (X2) are constants.
• β2 = 0.310 correlation coefficient of the interest rate (X2), meaning that any change regarding the provision of credit in Mandiri Branch Dili East Timor can increase customer satisfaction (Y) of 0.663 on the assumption that the provision of credit (X1) is a constant.

Coefficient of Determination

From the results of SPSS output that R2 of 0.097, it means 0.097% customer satisfaction variation can be explained by variations in two independent variables, namely the provision of credit and variable interest rates while the rest (100% -0097%) = 99.9% influenced by other variables outside the model.

Partial Test

The t-test is used to determine the significance of the regression coefficients obtained test t value obtained will be compared with the value t table on the degree of confidence a = 5%, or 0.025%. If t test ≥ t table, then Ho Ha accepted and rejected, and vice versa.

So from the above picture seems clear that if tcount amounted to 2,828 compared with 2,021 the value ttabel thitung greater than ttable. This means that the variable lending (X1) has a positive influence and segnifikan to variable customer satisfaction (Y) and a variable lending (X1) is a constant, because t = 2,828 <table = 2,021 then Ho is rejected and Ha accepted means there pengauh positive and segnifikan to variable customer satisfaction.

So from the above picture seems clear that if tcount amounted to 2,944 compared with 2,021 the value ttabel thitung greater than ttable. This means that the variable interest rate (X2) possessed a positive influence and segnifikan to variable customer satisfaction (Y) and a variable interest rate (X2) is constant, because t = 2,944 <table = 2,021 then Ho is rejected and Ha accepted means there is a positive influence and segnifikan to variable customer satisfaction.

Test Simultaneously

Basically, the test statistic F indicates whether all independent variables in the model which are intended to have influence together on the dependent variable. F statistical test is done by comparing the value of the F statistic Ftabel value. If the statistic value ≥ Fhitungan Ftabel value, then Ha Ho accepted and rejected, and vice versa.

From the calculation of significant test of Fhitung above, it is evident that all the independent variables are variables lending and interest rates have a positive influence on the dependent variable segnifikan customer satisfaction, with Fhitung = 2,986 <of the table = 4.82 so Ho rejected and Ha received means that there is a positive influence and segnifikan antarapemberian credit and interest rates on customer satisfaction together or simultaneously.

CONCLUSION

Conclusion.

1. Lending (X1) as measured by customer satisfaction (Y) has influence posittif and segnifikan on the level of customer satisfaction with Bank Mandiri Branch Dili, East Timor. thus the level of customer satisfaction can be explained by the provision of credit. the effect of interest rates on customer satisfaction by 11 122 or 15.122% based on the findings of this study concluded that onshore research hypothesis states that the provision of credit and segnifikan positive effect on customer satisfaction with Bank Mandiri Branch Dili, East Timor.

2. The interest rate credit (X2) as measured by customer satisfaction (Y), has an influence on the level of customer satisfaction at Mandiri Bank Branch Dili East Timor. thus the level of credit can be explained by the influence kredit.besarnya granting credit interest rate of 0.132 on customer satisfaction or 132% while the remaining dipngaruh by other variables outside the model.

3. Simultaneously two independent variables, namely the provision of credit and interest rates together positively and segnifikan to variable customer satisfaction with Bank Mandiri

Branch Dili, East Timor. the influence of the independent variables on customer satisfaction by 0.310 or 310% while the rest influenced by other factors.

Suggestion

Based on the conclusions obtained in this study, the proposed suggestions as complementary to the provision of credit and interest rates on to the customer satisfaction provided by Bank Mandiri Branch Dili, East Timor , as well as possible the provision of credit and interest rates in Bank Mandiri Dili, East Timor , should improve more profound , so that customer satisfaction is satisfied with the provision of credit and the interest rate for deposits of customer satisfaction will increase.

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