

ABSTRACT

Increasingly strong competition means that there must be a strategy that can keep the business growing. To succeed, companies must satisfy target customers in order to generate loyalty in them. The problem seen in this study is customer loyalty caused by product quality, service quality and customer satisfaction. This study aims to determine the effect of product quality and service quality on customer satisfaction and its implications on customer loyalty (survey of Kedai Kawani Bandung customers) partially and simultaneously. The method used is descriptive and verification method with the number of samples in this study were 90 respondents. The data collection techniques used are questionnaire distribution, interviews, and observation. The data analysis method used is path analysis, coefficient of determination analysis and hypothesis testing. The results showed that in structure I there was a simultaneous effect of product quality and service quality on customer satisfaction of 82%, partially the effect of product quality on customer satisfaction was 41.5% and the effect of service quality on customer satisfaction was 40.6%. In structure II there is a simultaneous effect of product quality, service quality, and customer satisfaction on customer loyalty of 95%, partially the effect of product quality on customer loyalty is 43.7%, the effect of service quality on customer loyalty is 24.9% and the effect of customer satisfaction on customer loyalty is 27.4%.

Keywords: Product Quality, Service Quality, Customer Satisfaction and Customer Loyalty.