

ABSTRACT

FEDRIK ANDERSEN

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THE INFLUENCE OF SERVICE QUALITY TOWARDS CUSTOMER LOYALTY AT PT. MAJU JAYA MEDAN

(xiv+73 pages; 9 figures; 34 tables; 6 appendices)

The longevity of a particular business is supported by loyal customers who committed to the company. In ensuring customers' loyalty, the issue of the company's effort in retaining the existing customers is a vital concern. Companies should be able to step up their service quality or product quality in order to survive, win the competition and achieve the objectives of the firm. The objective of this study is to know the influences of service quality on customer loyalty at PT. Maju Jaya Medan.

The methods used by the writer in this research is descriptive method and correlational method. Data used in this research are primary data and secondary data. Data analysis methods used in this research are descriptive statistic, validity test, reliability test, normality test, coefficient of correlation, coefficient of determination, linear regression analysis and Z test.

Based on research result, the conclusion of this research is that service quality has positive significant influence on customer loyalty in PT. Maju Jaya Medan. Z test give result that Zcount (6.46) is higher than Ztable (1.96). Correlation value in 0.83.4 shows that there is strong and positive relationship between service quality and customer loyalty in PT. Maju Jaya Medan. Coefficient of determination value in 69.5% shows that the service quality has contribution on change of customer loyalty in amount of 69.5% while the remaining in 30.5% is contributed by other factors. The linear regression equation is $Y = 1.947 + 0.737 X$. Coefficient of regression in 0.737 shows that increasing of 1 unit service quality can make increasing of customer loyalty in 0.737 unit.

Keywords : Service Quality, Customer Loyalty and Entrepreneurship.

References: 17