

ABSTRACT

One of the best places where people can go on a vacation is Bali. It is the most populated and influential island in all Indonesia with various customs and exciting inland attractions. Bali deserve to carry the name as one of the best travel destination, which makes Bali's economy dominated by tourism. Tourists are mostly looking for cozy situation and prime service as parts of the vacation they enjoy, thus beach club is the best option worth to be visited. Potato Head Beach Club is mentioned in most articles as one of the best beach clubs in Bali. Having a concept of 'local spirit, tropical soul', the bar and restaurant provide delicious food and beverages, while also respecting the environment. It has gained both international and national popularity from many publications and medias.

This research is intended to determine which variable between Physical Environment Quality, Food Quality, and Service Quality have the biggest effect towards Customer Loyalty through Beach Club Image, Customer Perceived Value, and Customer Satisfaction.

This study uses a quantitative approach with Structural Equation Model (SEM) and AMOS 22.0 software. The questionnaire is distributed to 130 respondents aged between 18 and 60, who have visited Potato Head Beach Club Bali at least twice a year. The sampling method used is non-probability sampling.

The results showed that Physical Environment Quality, Food Quality, and Service Quality variable have significant effect on Beach Club Image, but have insignificant effect on Customer Perceived Value; Beach Club Image variable has significant effect on Customer Satisfaction, but have insignificant effect on Customer Perceived Value; Customer Perceived Value has insignificant effect on Customer Satisfaction; and Customer Satisfaction has significant effect on Customer Loyalty.

Keywords: Physical Environment Quality, Food Quality, Service Quality, Beach Club Image, Customer Perceived Value, Customer Satisfaction, Customer Loyalty, Potato Head, Beach Club, Bali