The Influence of Service Quality and Price on Alfamart Consumer Loyalty with Customer Satisfaction As Mediation Variables

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Abstract — This study aims to analyze the quality of service and price on consumer loyalty, with the variable customer satisfaction as a mediating variable. Data collected from 100 respondents of Alfamart minimarkets in Jakarta, Bogor, Depok, Tangerang and Bekasi. The distribution was carried out during December 2021, using the google form due to the pandemic conditions. The research method used is purposive sampling, namely people who shop at the Alfamart Minimarket in the last month and are willing to fill out the questionnaire that the researcher gave. The collected data were analyzed using Structural Equation Modeling with SmartPLS version 3.0 software. Hasil penelitian menunjukkan Service Quality has a positive and significant effect on Customer Satisfaction, Price has a positive and significant effect on Customer Satisfaction, Service Quality has a positive and significant effect on Customer Loyalty, Price has a no significant effect on Customer Loyalty, Customer satisfaction did not significantly mediate the service quality and price variables on consumer loyalty.

Keywords : Service Quality, Price, Customer Satisfaction, Customer Loyalty

1. INTRODUCTION

The concept of service quality is an important factor in business success, because consumers feel that the quality of service they receive if it is in accordance with their expectations will continue to become loyal consumers. (Dwiana & Wardi, 2014). Consumer satisfaction or dissatisfaction is the consumer’s response to the perceived discrepancy between previous expectations and actual product performance. Consumer satisfaction is defined as a post-consumption evaluation that the chosen alternative at least meets or exceeds consumer expectations (Puspitasari, 2021). In essence, satisfied consumers will easily form an intention to repurchase (Basyar & Sanaji, 2016). Companies should always pay attention to the interests of consumers by looking at the needs and desires as well as satisfaction with services, this is a key factor for the success of a business in the midst of an increasingly competitive climate (Sebrica et al., 2014).

Efforts to give something memorable to consumers is a step for every company that wants to survive and continue to grow, this step is obtained by providing satisfaction through performance and maximum service quality (Rangkuti, 2017). Quality of service is a profit strategy to attract more new customers, retain existing customers, avoid switching customers and create special advantages (Putri, 2015). Companies that prioritize good service quality will have an impact on customer satisfaction (Yanuar et al., 2017). Service quality is an effort to create comfort for consumers so that consumers feel they have more value than expected. Consumer expectations are an important factor, the quality of service that is getting closer to customer satisfaction will provide more expectations and vice versa. With the quality of service that has been provided, then indirectly customer satisfaction will be realized (Reyhan & SRI, 2013).

The company’s success in providing quality services can be determined by using a service quality approach (Mongkaren, 2013). Service quality can be measured by comparing the service received by consumers with consumer expectations (Kaihatu, 2008). Service quality is the service provided by the company in the form of responsiveness and reality (Amin, 2018). Service quality must start from consumer needs and end with consumer perceptions (Lubis & Andayani, 2017). One of the things that is taken into consideration in deciding to reuse the products/services offered by marketers is the quality of service (Pangastuti, 2007).
In addition to service quality, price is also another factor that affects customer satisfaction. Price is an important factor in sales (Heryanto, 2015). The price strategy that is set must be in accordance with the consumer's economy, so that consumers can buy these goods (Gulla et al., 2015). As for consumers, price is a material consideration in making purchasing decisions which will ultimately affect satisfaction, because the price of a product affects consumer perceptions of the product (Pardede & Haryadi, 2017). Price and quality have a high influence on customer satisfaction. This is one of the factors that is not considered by the company, so that consumers will think again about using the product and will feel dissatisfied after buying or using the goods or services. (Pardede & Haryadi, 2017), (D.Suleman et.al, 2019) , (D.Suleman et.al, 2021)

Products or services should provide maximum value and provide satisfaction to consumers. Buyers will choose products that provide maximum value for them so that they can provide maximum satisfaction (Haromain & Suprihhadi, 2016). Consumer satisfaction in using services or services is influenced by price (Dwihapsari & Santosa, 2012). The attractiveness of a product or service cannot be separated from the price such as money, time, cognitive activity, behavioral effort, value and pricing (Farisa, 2018), because price is an indicator of value associated with the perceived benefits of an item or service (Bilgies, 2016) , (D.Suleman et.al, 2020a)

The development of modern retail is increasing day by day. The increase in existing modern retail is influenced by the increasing number of consumers who want to shop easily and comfortably (Herawati et al., 2013). The standard of service provided to consumers is owned by Alfamart, which aims to retain customers and compete with similar businesses. Alfamart also has a pricing strategy so that the image of affordable prices is in the minds of the public so that it will have an impact on the level of consumer satisfaction which will later determine the level of customer loyalty. (Herawati et al., 2013). Complaints about Alfamart's services persist, Herawati, et al (2013), (D.Suleman et.al, 2020b) revealed that there are still complaints including the floor of the shopping room sometimes looks dirty and the display shelves are a little dusty, the parking area is felt to be less spacious, officers provide services to customers while chatting or joking with other officers, credit card payment facilities sometimes do not work, the types of products sold are less varied, product packaging is damaged, and there is a queue at the cashier when customers make payments, Nasution & Lesmana (2018) , ), (D.Suleman et.al, 2020c)stated that consumers are increasingly selective with the variety of available markets, consumers are increasingly critical and look for complete shopping locations such as Alfamart, which provides all kinds of goods. Alfamart is also liked by consumers because of competitive prices, quality products and quality services.

II. LITERATURE REVIEW

A. Service Quality

According to Armstrong et al., (2014) service is every activity offered by a party to another party and is basically intangible and does not result in any ownership, (Zeithaml et al., 2010) stated that services include all economic activities whose output is not a physical product or construction, which is consumed and produced at the same time, and provides added value in the form of convenience, entertainment, speed, and health which are essentially intangible.

According to (Sugiarto, 2014) it is stated that service quality is a presentation of a product or service according to the applicable size where the product is held and the delivery is at least the same as what is expected and desired by consumers. Fulfillment of promises in service will be related and reflect the company's credibility in service. Tangibles: the appearance and ability of physical facilities and infrastructure must be reliable, the condition of the surrounding environment is tangible evidence of the services provided by the service provider. The physical appearance of the service (such as physical appearance, equipment, employees, and communication will give color to customer service). Teluma (2021) stated that Service Quality Indicators are:

1. Physical appearance (tangible). Covers the operations provided whether they are in accordance with the needs in carrying out tasks.
2. Reliability. Includes the extent to which the information provided to consumers is accurate and can be accounted.
3. Responsiveness. That is the responsiveness of the provider or service provider in responding to consumer complaints
4. Courtesy. That is the attitude of officers in providing services to consumers
5. Access. Includes ease of information, cheap and easy to contact officers, ease of reaching the company's location and ease of procedures.

B. Price
According to Nurhalimah, et al (2018) price is a value (usually expressed in money) that must be sacrificed to be able to own, use or consume goods and services in order to get satisfaction. Pricing is a marketing strategy that determines the occurrence of transactions between sellers and buyers. Transactions will only occur if the price set on a product is agreed upon by the seller and the buyer. Therefore, companies that are able to accurately set prices will certainly get satisfactory marketing results.

Kotler and Armstrong (2016) state that “price as the amount of money charged for a product or service, or the sum of values that customers exchange for benefits of having or using the product service”, which means the price is the amount of money billed of a product or service or the sum of the values that customers exchange for the benefits of owning or using a product or service. Quality and performance of a product or service, Prices and costs that are not too expensive in the sense of commensurate with the quality of the product, Social benefits as a result of the purchase. According to Payne (2001) purpose of determining the price is as follows:

1. Survival, the goal is to increase profits when the company is in unfavorable market conditions, so that the company survives.
2. Profit maximization, pricing aims to maximize profit within a certain period.
3. Sales maximization, pricing aims to build market share by selling at an initial price that is detrimental.
4. Prestige, pricing aims to position the company's services as exclusive services.
5. ROI (Return On Investment), the determination of prices is based on the plan to achieve return on investment or the level of investment taking.

C. Customer Satisfaction

Tjiptono (2015) states that satisfaction comes from the Latin Satis which means quite good, adequate and Facio which means doing or making. Simply put, satisfaction can be interpreted as an effort to fulfill something or make something adequate. According to Zeithaml et al., (2010) the definition of satisfaction is: Response or consumer responses regarding the fulfillment of needs. Satisfaction is an assessment of the characteristics or features of a product or service, or the product itself, which provides a level of consumer pleasure related to meeting consumer consumption needs. Tjiptono (2015) Measuring a variable requires dimensions and indicators of that variable. Consumer Satisfaction has two dimensions, namely:

1. Performance
   Performance is a tangible result of a service provided by the company to consumers. In this study, the performance dimensions have the following indicators:
   a. Satisfaction with the company's ability to serve consumers appropriately.
   b. Satisfaction with the company's agility in serving consumers

2. Hope
   Expectation is a customer's estimate or belief about what he will receive. The Expectancy Dimension has the following indicators:
   a. Satisfaction with the fulfillment of consumer expectations.
   b. Satisfaction with the workshop's ability to serve consumers compared to competitors.

D. Customer Loyalty

According to Tjiptono (2015) customer loyalty is a customer's psychological commitment to a brand based on a very positive nature in long-term purchases. Customer loyalty is very important for companies that maintain their business continuity and the continuity of their business activities. Consumer loyalty will be high if a product is judged to be able to provide the highest satisfaction so that customers are reluctant to switch to another place, as for the following characteristics, a) Make repeat purchases regularly. b). Giving between products and services. c). Referring to others. d). Shows the strength of the attractiveness of similar products and services with competitors. Hasan (2013) stated the advantages that will be obtained by the company if it has loyal customers, among others:

1. Reduce marketing costs
2. Reduce transaction costs
3. Reduce customer turnover costs
4. Increase cross-selling which will increase the company's market share.
5. Word of mouth is more positive with the assumption that loyal customers also mean they are satisfied.
6. Reduce failure costs
E. Research Framework

![Research Framework Diagram]

**Figure 1. Research Framework**

F. Hypothesis

Structural Equation Modeling (SEM) is used in testing the hypothesis with the consideration of having the ability to combine measurement models and structural models simultaneously (Hair & Anderson, 2014). The software used to process the data is SmartPls 3.0. The hypothesis in this study is as follows:
1. There is a significant effect of Service Quality on Customer Satisfaction
2. There is a significant effect of Price on Customer Satisfaction
3. There is a significant effect of Service Quality on Customer Loyalty
4. There is a significant effect of Price on Customer Loyalty
5. There is a significant effect of Customer Satisfaction on Customer Loyalty
6. There is a significant effect of Service Quality on Customer Loyalty through Customer Satisfaction as an intervening variable
7. There is a significant effect of Price on Customer Loyalty through Customer Satisfaction as an intervening variable.

III. METHOD

Data distribution was carried out to 100 respondents who had shopped at Alfamart Minimarkets in the past month, located in Jakarta, Bogor, Depok, Tangerang and Bekasi. The distribution was carried out during December 2021, using the google form due to the pandemic conditions. The research method used is purposive sampling, namely people who shop at the Alfamart Minimarket in the last month and are willing to fill out the questionnaire that the researcher gave. The collected data were analyzed using Structural Equation Modeling with SmartPLS version 3.0 software.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Dimensions</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Loyalty</td>
<td>Behavior</td>
<td>1. Re-purchase a product or service</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Recommend to others</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attitude</td>
<td>3. commitment to the company does not move to competitors</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Willingness to buy additional products</td>
<td></td>
</tr>
<tr>
<td>Consumer satisfaction</td>
<td>Location</td>
<td>1. Strategic location</td>
<td>Interval</td>
</tr>
<tr>
<td></td>
<td>Service</td>
<td>2. On time service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appreciation</td>
<td>3. Appreciation to consumers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Problem Solving</td>
<td>4. Fast and precise troubleshooting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hope</td>
<td>5. Desire to get the best service</td>
<td></td>
</tr>
<tr>
<td>Service quality</td>
<td>Punctuality</td>
<td>1. Timeliness of service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>2. Ease of getting service</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Consumer convenience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Politeness</td>
<td>4. Courtesy and friendliness of service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accuracy</td>
<td>5. Service accuracy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Stability</td>
<td>6. Service stability</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>Affordability</td>
<td>1. Affordable prices for all people</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Suitability with benefits</td>
<td>2. Prices are in accordance with the benefits</td>
<td></td>
</tr>
</tbody>
</table>
IV. RESULT AND DISCUSSION

A. Data Description

1. Gender of Respondent

Table 2. Respondent’s Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Amount Respondent</th>
<th>Prosentase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man</td>
<td>39</td>
<td>39%</td>
</tr>
<tr>
<td>Woman</td>
<td>61</td>
<td>61%</td>
</tr>
<tr>
<td>Amount</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: processed data (2022)

Based on the tabulation of data in Table 2, the majority of respondents in this study were male by 66 percent.

2. Age of Respondent

Table 3. Age of Respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Amount Respondent</th>
<th>Prosentase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Yrs - 30 Yrs</td>
<td>28</td>
<td>28%</td>
</tr>
<tr>
<td>31 Yrs - 40 Yrs</td>
<td>36</td>
<td>36%</td>
</tr>
<tr>
<td>41 Yrs - 50 Yrs</td>
<td>24</td>
<td>24%</td>
</tr>
<tr>
<td>&gt; 51 Yrs</td>
<td>12</td>
<td>12%</td>
</tr>
<tr>
<td>Amount</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: processed data (2022)

Based on the tabulation of data in Table 3, the majority of respondents in this study were aged 31-40 years, namely 36 percent.

B. Model Validity Test

Ghozali & Latan (2015) explains an indicator is declared valid if it has a loading factor above 0.70. Here are the results of the validity test.

<table>
<thead>
<tr>
<th>Competitive product prices</th>
<th>felt by consumers</th>
<th>3. Product prices are able to compete with other products</th>
</tr>
</thead>
</table>
In Figure 2, there are still invalid ones because the loading factor is below 0.70. Invalid indicators are excluded from the model (Ghozali in Suherman & Yusuf, 2021).

Based on Figure 3, all statements are declared valid because they already have a loading factor above 0.70.

C. Evaluation of the Measurement Model (Outer Model)

Discriminant validity on the reflection model can be seen by using the cross loading method, which is seen from the block size which is better than other block sizes.
Table 4. Discriminant validity

<table>
<thead>
<tr>
<th>Cross Loadings</th>
<th>Customer Loyalty</th>
<th>Customer Satisfaction</th>
<th>Price</th>
<th>Service Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Con_Loy1</td>
<td>0.794</td>
<td>0.419</td>
<td>0.421</td>
<td>0.485</td>
</tr>
<tr>
<td>Con_Loy3</td>
<td>0.868</td>
<td>0.339</td>
<td>0.270</td>
<td>0.434</td>
</tr>
<tr>
<td>Con_Loy4</td>
<td>0.867</td>
<td>0.397</td>
<td>0.332</td>
<td>0.471</td>
</tr>
<tr>
<td>Con_Sat2</td>
<td>0.387</td>
<td>0.835</td>
<td>0.473</td>
<td>0.449</td>
</tr>
<tr>
<td>Con_Sat3</td>
<td>0.386</td>
<td>0.800</td>
<td>0.474</td>
<td>0.444</td>
</tr>
<tr>
<td>Con_Sat4</td>
<td>0.237</td>
<td>0.739</td>
<td>0.544</td>
<td>0.527</td>
</tr>
<tr>
<td>Con_Sat5</td>
<td>0.446</td>
<td>0.842</td>
<td>0.576</td>
<td>0.724</td>
</tr>
<tr>
<td>Price1</td>
<td>0.431</td>
<td>0.626</td>
<td>0.871</td>
<td>0.677</td>
</tr>
<tr>
<td>Price2</td>
<td>0.349</td>
<td>0.518</td>
<td>0.871</td>
<td>0.483</td>
</tr>
<tr>
<td>Price3</td>
<td>0.277</td>
<td>0.538</td>
<td>0.885</td>
<td>0.458</td>
</tr>
<tr>
<td>Serv_Qual2</td>
<td>0.541</td>
<td>0.576</td>
<td>0.476</td>
<td>0.862</td>
</tr>
<tr>
<td>Serv_Qual3</td>
<td>0.407</td>
<td>0.585</td>
<td>0.534</td>
<td>0.843</td>
</tr>
<tr>
<td>Serv_Qual4</td>
<td>0.450</td>
<td>0.557</td>
<td>0.519</td>
<td>0.829</td>
</tr>
<tr>
<td>Serv_Qual5</td>
<td>0.465</td>
<td>0.596</td>
<td>0.600</td>
<td>0.854</td>
</tr>
</tbody>
</table>

Source: processed data (2022)

Table 4 shows that each latent variable is able to predict the size of each block better than the other block sizes, so the Evaluation of the Measurement Model (outer model) with Discriminant validity is valid. Furthermore, composite validity can be measured from the Average Variance Extract (AVE) value which must be above 0.5 and Composite Reliability must be above 0.7 (Ghozali & Latan, 2015)

Table 5. Reliability Test

<table>
<thead>
<tr>
<th>Construct Reliability and Validity</th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Loyalty</td>
<td>0.797</td>
<td>0.797</td>
<td>0.881</td>
<td>0.712</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.819</td>
<td>0.836</td>
<td>0.880</td>
<td>0.648</td>
</tr>
<tr>
<td>Price</td>
<td>0.850</td>
<td>0.860</td>
<td>0.908</td>
<td>0.767</td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.869</td>
<td>0.870</td>
<td>0.910</td>
<td>0.717</td>
</tr>
</tbody>
</table>

Source: processed data (2022)

Table 5. Reliability Test

According to the standard set by Ghozali & Latan (2015) in table 5 it is known that the AVE value is above 0.5 and the Composite Reliability value is above 0.7, so all variables meet the reliability requirements.

D. Evaluation of the Structural Model (Inner Model)

R-Square is used to evaluate the structural model for the independent variables/inner model, here are the results of the inner model test

Table 6. Evaluation of the Structural Model (Inner Model)

<table>
<thead>
<tr>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Loyalty</td>
<td>0.319</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.544</td>
</tr>
</tbody>
</table>

Source: processed data (2022)
Based on table 6, the consumer loyalty variable can be explained by 29.8% in this model, while the consumer satisfaction variable can be explained by 53.5% by this research model. Furthermore, based on the value of f square, service quality is able to explain the service satisfaction variable of 27.8% and the price variable is able to explain the service satisfaction variable of 17.1%.

E. Hypothesis testing

The following are the results of data processing for hypothesis testing using the PLS Bootstrapping method.

![Figure 4. PLS Bootstrapping](image)

The following table is presented to clarify the picture of the hypothesis test above.

**Table 7. Hypothesis Test**

<table>
<thead>
<tr>
<th>Path Coefficients</th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics (O/STDEV)</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction -&gt; Customer Loyalty</td>
<td>0.132</td>
<td>0.141</td>
<td>0.161</td>
<td>0.821</td>
<td>0.412</td>
</tr>
<tr>
<td>Price -&gt; Customer Loyalty</td>
<td>0.057</td>
<td>0.062</td>
<td>0.115</td>
<td>0.498</td>
<td>0.619</td>
</tr>
<tr>
<td>Price -&gt; Customer Satisfaction</td>
<td>0.359</td>
<td>0.362</td>
<td>0.114</td>
<td>3.141</td>
<td>0.002</td>
</tr>
<tr>
<td>Service Quality -&gt; Customer Loyalty</td>
<td>0.426</td>
<td>0.432</td>
<td>0.156</td>
<td>2.730</td>
<td>0.007</td>
</tr>
<tr>
<td>Service Quality -&gt; Customer Satisfaction</td>
<td>0.457</td>
<td>0.458</td>
<td>0.113</td>
<td>4.038</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: processed data (2022)
Based on Table 7, the regression equation formed is as follows:

Equation 1:
Customer Satisfaction = 0.457 _ Service Quality + 0.359 _ Price + error

Equation 2:
Customer Loyalty = 0.132 _ Customer Satisfaction + 0.426 _ Service Quality + 0.057 _ Price + error

Based on the results of statistical testing, the explanation of each influence variable is explained as follows:

1. Service Quality has a positive and significant effect on Customer Satisfaction because the p-value of 0.000 is smaller than 0.05 (0.000 < 0.05)
2. Price has a positive and significant effect on Customer Satisfaction because the p-value of 0.002 is smaller than 0.05 (0.002 < 0.05)
3. Service Quality has a positive and significant effect on Customer Loyalty because the p-value of 0.007 is smaller than 0.05 (0.007 < 0.05)
4. Price has a no significant effect on Customer Loyalty because the p-value of 0.619 is greater than 0.05 (0.619 > 0.05)
5. Customer Satisfaction has a no significant effect on Customer Loyalty because the p-value of 0.412 is greater than 0.05 (0.412 > 0.05)

Furthermore, to test the hypothesis of the effect of the intervention based on the data in Table 7:
Sa1 = 0.457 Standard Error = 0.113
Sa2 = 0.359 Standard Error = 0.114
Sb = 0.132 Standard Error = 0.161

The results of the intervening effect test using the Sobel test, the results of which can be seen in the following table:

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Test Statistics</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality =&gt; Customer Satisfaction =&gt; Customer Loyalty</td>
<td>0.803</td>
<td>0.421</td>
</tr>
<tr>
<td>Price =&gt; Customer Satisfaction =&gt; Customer Loyalty</td>
<td>0.793</td>
<td>0.427</td>
</tr>
</tbody>
</table>

Source: processed data (2022)

The results of the study using the Sobel test showed that the variable customer satisfaction did not significantly mediate the service quality and price variables on consumer loyalty because the p-value was greater than 0.05 (P Value > 0.05).

V. DISCUSSION

1. Service Quality has a positive and significant effect on Customer Satisfaction, the results of the study show that Alfamart minimarket consumers are satisfied with the quality of service provided by Alfamart, based on research results, ease of getting service, comfort, courtesy and friendliness and accuracy in serving make consumers satisfied.

2. Price has a positive and significant effect on Customer Satisfaction, the results of the study show that prices at Alfamart are affordable, in accordance with the benefits provided and prices at Alfamart are competitive. This shows that price management at Alfamart is good, respondents stated that the many discounts given made them interested in shopping at Alfamart, and this study proves that the price set has a significant effect on consumer satisfaction.

3. Service Quality has a positive and significant effect on Customer Loyalty, based on research results, Alfamart Minimarket is able to provide quality service, where the ease of getting service, comfort, courtesy and friendliness and accuracy in serving makes consumers feel loyal, Alfamart consumer loyalty actions are realized by buying back, not switching to competitors and buying other products at Alfamart.

4. Price has a no significant effect on Customer Loyalty. This is because the price strategy applied by Alfamart minimarket management is also carried out by its closest competitors, based on research, consumers are looking for the one that gives the maximum profit. Consumers will switch to Alfamart competitors when those competitors provide discounts that benefit them.

5. Customer Satisfaction has a no significant effect on Customer Loyalty. This is due to the satisfaction that is formed based on service, giving appreciation, providing solutions to problem solving that Alfamart's
management is trying to provide excellently by its competitors, thus, with the same level of service, appreciation and problem solving, gives the same satisfaction. This means that satisfied consumers easily switch to competitors.

6. Customer satisfaction did not significantly mediate the service quality and price variables on consumer loyalty. This can be due to the quality of service and pricing strategy provided by Alfamart management is not special, because Alfamart competitors have provided services with the same quality and the same price strategy, so that the satisfaction that has been formed is a natural thing and is not able to have an impact on customer loyalty.

VLSUGGESTION

Based on the results and conclusions of the study, the suggestions that researchers can give are as follows:

1. Alfamart management continues to maintain service quality because it has a direct significant impact on satisfaction and loyalty. The pricing strategy is also quite good, but because consumers tend to pursue discounted prices, prices have no impact on loyalty.

2. Alfamart management should provide differences in service and price policies, because the current policies are the same as those of their competitors, so that the satisfaction formed does not have an impact on loyalty.

REFERENCES


