

Analysis of Customer Satisfaction as a Determining Factor of Consumer Loyalty

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ABSTRACT

This study aims to analyze the influence of customer satisfaction on consumer loyalty. In an era of increasingly fierce business competition, companies are required to be able to retain customers through continuous improvement of satisfaction. Customer satisfaction is believed to be one of the main factors that can encourage the formation of consumer loyalty, which is reflected in repeat purchasing behavior, recommendations to others, and commitment to a brand. This study uses a quantitative approach with an associative design. Data were collected by distributing questionnaires to 120 respondents who are active consumers. The sampling technique used purposive sampling with certain criteria. Data analysis was carried out through validity tests, reliability, descriptive analysis, and simple linear regression to examine the relationship between variables. The results of the study indicate that customer satisfaction has a positive and significant influence on consumer loyalty. The regression coefficient value of 0.678 with a significance level of 0.000 (<0.05) indicates that an increase in customer satisfaction will be followed by an increase in consumer loyalty. In addition, the coefficient of determination (R^2) value of 0.612 indicates that customer satisfaction is able to explain 61.2% of the variation in consumer loyalty, while the rest is influenced by other factors outside the study. Based on these results, it can be concluded that customer satisfaction is a crucial factor in building consumer loyalty. Therefore, companies are advised to continuously improve the quality of their products and services and consider other supporting factors to build long-term relationships with customers.



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INTRODUCTION

In an era of increasingly fierce business competition, companies are required to not only attract new customers but also retain existing ones. Customer loyalty is a valuable strategic asset, as loyal customers are more likely to make repeat purchases, recommend products to others, and contribute long-term to the company's sustainability. Therefore, understanding the factors influencing customer loyalty is crucial for any business organization.

One of the main factors believed to significantly influence consumer loyalty is customer satisfaction. Customer satisfaction reflects a person's feelings of pleasure or disappointment that arise after comparing their expectations for a product or service with their perceived performance. When customers are satisfied, they tend to have greater trust in the company, thus increasing the likelihood of continuing to use that product or service in the future.

However, in practice, not all satisfied customers automatically become loyal. This suggests that the relationship between customer satisfaction and loyalty is not always linear and can be influenced by various factors, such as service quality, perceived value, price, and the overall customer experience. Therefore, a more in-depth analysis is needed to understand the extent to which customer satisfaction plays a role in determining consumer loyalty.

This study aims to analyze the influence of customer satisfaction on consumer loyalty and identify supporting factors that strengthen this relationship. This research is expected to contribute to the development of marketing management science, particularly in understanding consumer behavior, and serve as a basis for companies to formulate strategies to effectively and sustainably increase customer satisfaction and loyalty.

METHOD

This study uses a quantitative approach with an associative research design, which aims to analyze the relationship and influence between customer satisfaction as an independent variable and consumer loyalty as a dependent variable. This approach was chosen because it can provide an empirical picture of the level of relationship between variables through statistical data processing.

The population in this study is all consumers who have used the products or services of the specified research object. The sampling technique used purposive sampling, which selects respondents based on certain criteria, such as customers who have made at least two purchases or have experience using the service within a certain period. The sample size is determined based on the Slovin formula or adjusted to the analysis needs, generally ranging from 100–200 respondents to obtain representative results.

The type of data used in this study is primary data obtained directly from respondents through questionnaires. The research instrument was constructed using a Likert scale with a value range of 1 to 5, ranging from strongly disagree to strongly agree. Customer satisfaction variables are measured using indicators such as product quality, service quality, conformity to expectations, and customer experience. While consumer loyalty variables are measured using indicators such as repurchase intentions, recommendations to others, and brand commitment.

Prior to analysis, the data were tested through validity and reliability tests to ensure the research instrument was suitable for use. Furthermore, the data analysis techniques used included descriptive analysis to describe the characteristics of respondents and research variables, as well as inferential analysis in the form of simple or multiple linear regression to examine the effect of customer satisfaction on consumer loyalty. Hypothesis testing was conducted using a t-test to determine the partial effect and a coefficient of determination (R^2) test to determine the contribution of the independent variables to the dependent variable.

RESULTS AND DISCUSSION

1. Respondent Characteristics

Based on the results of distributing questionnaires to 120 respondents, the following characteristics were obtained:

Table 1. Respondent Characteristics

Characteristics	Category	Amount	Percentage (%)
Gender	Man	68	56.7%
	Woman	52	43.3%
Age	17-25 years	45	37.5%
	26-35 years	50	41.7%
	>35 years	25	20.8%
Purchase Frequency	2-3 times	70	58.3%
	>3 times	50	41.7%

The data shows that the majority of respondents are of productive age and have made more than one purchase, making it relevant in assessing satisfaction and loyalty.

2. Validity and Reliability Test

Validity test results showed that all statement items had correlation values >0.30 , thus being declared valid. Reliability tests using Cronbach's Alpha showed values above 0.70.

Table 2. Reliability Test Results

Variables	Cronbach's Alpha	Information
Customer satisfaction	0.842	Reliable
Consumer Loyalty	0.876	Reliable

This shows that the research instrument can be trusted to measure the variables studied.

3. Descriptive Analysis of Variables

Table 3.Average Variable Score

Variables	Indicator	Mean
Customer satisfaction	Product Quality	4.21
	Quality of Service	4.15
	Conformity to Expectations	4.08
	Customer Experience	4.18
Consumer Loyalty	Repurchase Intention	4.25
	Recommendation	4.10
	Commitment to Brand	4.12

In general, the average value is above 4, which indicates that respondents have a high level of satisfaction and loyalty.

4. Linear Regression Analysis

The results of simple linear regression analysis show the influence of customer satisfaction on consumer loyalty as follows:

Table 4.Regression Analysis Results

Variables	Coefficient (β)	t count	Sig.
Constant	1,245	-	-
Customer satisfaction	0.678	9,532	0,000

Based on the table above, the regression equation is obtained:

$$Y = 1.245 + 0.678X$$

A significance value of $0.000 < 0.05$ indicates that customer satisfaction has a positive and significant effect on consumer loyalty.

5. Coefficient of Determination (R^2)**

Table 5. Coefficient of Determination

R Square	Information
0.612	61.2%

The R^2 value of 0.612 shows that customer satisfaction is able to explain 61.2% of the variation in consumer loyalty, while the remaining 38.8% is influenced by other factors such as price, brand image, and service quality.

Discussion

The research results show that customer satisfaction has a positive and significant influence on consumer loyalty. This means that the higher the level of

satisfaction experienced by customers, the more likely they are to remain loyal to the product or service offered.

High average scores for product and service quality indicators indicate that the company has met customer expectations. This contributes to the development of trust and long-term relationships between customers and the company. Furthermore, the highest score for repurchase intention indicates that customer satisfaction drives repeat purchasing behavior.

However, the coefficient of determination, which fell short of 100%, indicates that customer loyalty is influenced by more than just satisfaction. Other factors, such as emotional experiences, price perception, and brand strength, also play a role in shaping loyalty. Therefore, companies need to manage these various aspects in an integrated manner.

Overall, these findings align with marketing theory, which states that customer satisfaction is a key determinant of consumer loyalty. Therefore, companies are advised to continuously improve the quality of their products and services to maintain and enhance long-term customer loyalty.

CONCLUSION

Based on the research and discussion, it can be concluded that customer satisfaction has a positive and significant impact on consumer loyalty. This indicates that the higher the level of customer satisfaction with a product or service, the greater the tendency for customers to make repeat purchases, recommend the product to others, and maintain long-term relationships with the company.

The analysis also shows that customer satisfaction contributes significantly to explaining consumer loyalty, although it is not the sole determining factor. This means that other factors beyond customer satisfaction influence loyalty, such as price, service quality, brand image, and customer experience.

Therefore, companies need to consistently maintain and enhance customer satisfaction by improving product and service quality, while also considering other supporting factors. These efforts are crucial to building strong and sustainable customer loyalty, thus providing the company with a long-term competitive advantage.

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