

**THE INFLUENCE OF SERVICE QUALITY TOWARDS
CUSTOMER LOYALTY AT PAPA RON'S
PIZZA CIKARANG**

THESIS

By

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**THESIS ADVISER
RECOMMENDATION LETTER**

This Thesis entitled “**THE INFLUENCE OF SERVICE QUALITY TOWARDS CUSTOMER LOYALTY AT PAPA RON’S PIZZA CIKARANG**” prepared and submitted by Haris Haridha in partial fulfillment of the requirement of Bachelor Degree in the Faculty of Economics has been reviewed and found to have satisfied the requirement for a thesis fit to be examined. We therefore recommend this thesis for Oral Defense.

Cikarang, Indonesia, 27 February 2012

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DECLARATION OF ORIGINALITY

I declare that this thesis entitled **“THE INFLUENCE OF SERVICE QUALITY TOWARDS CUSTOMER LOYALTY AT PAPA RON’S PIZZA CIKARANG”** is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Haris Haridha

ABSTRACT

Service quality can be a key to make one company successes. Sometime there are many companies have difficulties in keeping their customer and make them loyal to buy their product or service. It can be and big possibility because of the service that given by the company. The customer dissatisfied with the service and tends to find another company which give better product or service although with same product or service.

This research has proposed to analyze the influence of service quality which is consist of tangible, empathy, assurance, reliability, and responsiveness towards customer loyalty at Papa Ron's Pizza Cikarang. The purpose of this research also to know there is an influence of service quality variables partially and simultaneously towards customer loyalty.

This research used quantitative research method, and in collecting data, researcher constructs questionnaire and spread it to 174 customers of Papa Ron's Pizza Cikarang. In analyzing the data, researcher used multiple regression method and process with SPSS windows version 15.0. The result of this research shows T_{count} of each variable, tangible are 5.320, empathy are 6.460, assurance are 5.151, reliability are 9.139, and responsiveness are 5.998, whereas T_{table} with significant level $\alpha=5\%$ are 1.974. It indicates that $T_{count} > T_{table}$, means that partially service quality variables are significantly influence customer loyalty. Then from simultaneously testing, researcher got F_{count} with value 56.220, whereas F_{table} with significant level $\alpha=5\%$ are 2.27. It indicates that $F_{count} > F_{table}$, means that simultaneously service quality variables are significantly influence customer loyalty.

Hence, researcher gives suggestion to management of Papa Ron's Pizza Cikarang to pay more attention to increase service quality and customer satisfaction because this factor is the most dominant factor to build customer loyalty.

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CHAPTER 1

INTRODUCTION

1.1 Research Background

Customer is the most important element whom should kept by the company or organization. Each company has to make a good relationship with their customers. They have to give a good service to make their customer satisfy. Actually this is the part of manager to control and maintain every activity in the company, it's to make sure that the customer's problem have been solved.

Actually every kind of business needs to know how to satisfy their customer. In service context, customer satisfaction is related with service that given by the company or industry. The customer satisfaction will impact on customer loyalty on one company or industry. If customer was satisfied, it means that the company has a success in running the business. According to Pelham (stated in Sunarto, 2006), told that the profitability of one company has significant correlation with how the company produce a product that has good quality. So that, in service context, it means actually the profitability of company really depend on how the company provide good quality of service to their customers and make them satisfy.

Service quality can be a key to make one company successes. Sometime there are many companies have difficulties in keeping their customer and make them loyal to buy their product or service. It can be and big possibility because of the service that given by the company. The customer dissatisfied with the service and tend to find another company which give better product or service although with same product or same kind of service. The company should really pay more attention in this part. All of the employees, start from manager until waiter should have

knowledge about service management and think how to make their customer satisfied and loyal to choose their product or service.

Service management means joined and organizes well between each department and between each element of the company, start from manager until waiter. The aim of high performance service management is to optimize the services, because many advantages that will company got, such as enhance customer satisfaction and make them as loyal customer.

Papa Ron's Pizza is a restaurant industry that provides food and beverages to any level of customers. In selling the product, the restaurant should have competent employees to help and make the restaurant easy in getting as many as customers. But sometimes customer gives a comment or critics to the company about the service that they got from the restaurant. So it is manager's part to maintain and motivate their waiter to give their best performance in giving good quality of service to the customers.

To get customer loyalty, the manager has to monitoring all of the activity, started from ordering product until delivery service that doing by waiters. In this case, there are must be good relation between manager and employee, and also between each employee, in order to make the process effectively. In this case researcher tries to find out how much the influence of service quality which gives by Papa Ron's Pizza for their customers and to make them loyal to the restaurant.

1.2 Company Profile

As noted in its official website (<http://www.paparonspizza.com>), Papa Ron's Pizza was founded in 2000. Up to now Papa Ron's Pizza has opened 43 outlets spread all over Indonesia, which is 17 outlets in JABOTABEK and the other, is outside. Since opening, many achievements have been obtained. Papa Ron's Pizza is one the only restaurant Pizza and a local brand among other international

franchise brands. It also makes the government of Indonesia presents an opportunity for Papa Ron's Pizza to be exhibited in exhibition conducted by the Indonesian government in the interests of the development of national exports, this has been done for 3 consecutive years in Singapore and also in Beijing China in the end of 2005.

Anang Sukandar, Chairman of Franchise Association of Indonesia (AFI) as stated (in <http://www.paparonspizza.com>) says that Papa Ron's Pizza Cikarang is a local restaurant that can compete with international restaurant and within the last few months they have opened new outlet that located in Sentani-Papua and Kuta-Bali. And also for the next they will open new outlet in Tebet-Jakarta, except existing outlet like in Medan, Pekanbaru, Bajarmasin, Bandung, Jatinangor, Jakarta, Surabaya, Jogjakarta, Solo, Bali, Kendari, Purwokerto, Cilacap, Semarang, Pekalongan, Kudus, and Sentani-Papua.

Papa Ron's Pizza Cikarang was founded in 2 January 2005. The restaurant has 29 employees for the total and open start from 10am until 10pm. The concept is family restaurant with a target market starting from child until adults. The product has a best quality and fresh, it is because in making a dough the always give priority to use the first made, or in this case called FIFO (First In First Out), so that they never use dough that has been made for more than 8 hours.

Papa Ron's Pizza Cikarang has some competitors that have same market and main product such as Pizza Hut, and Pizza Domino. To face the competition, the manager tries to find out a good strategy to winning the competition such as increasing the quality of product and service in order to make customer satisfy and make them loyal to the restaurant. That is according with the mission "serve and make customer satisfy and professionally increasing the asset value of company".

Papa Ron's Pizza Cikarang leads by one manager who always monitoring all of activities in the restaurant. The manger getting helps by one assistant manager who also is a treasury of the restaurant and two leaders who are leading the activities of the employees. For another employee, there are divided into two sections based on the time they work. And based on their actual job, the employees divided into four kinds of jobs. First BOS (Back of the Store), it is the employee who are in work in kitchen area. FOS (Front of the Store), is the employee who are serving the customer. Delivery Section is the employees who are responsible to do delivery service to customers. Then, the last is Store Division, it is the employee who work in the storage.

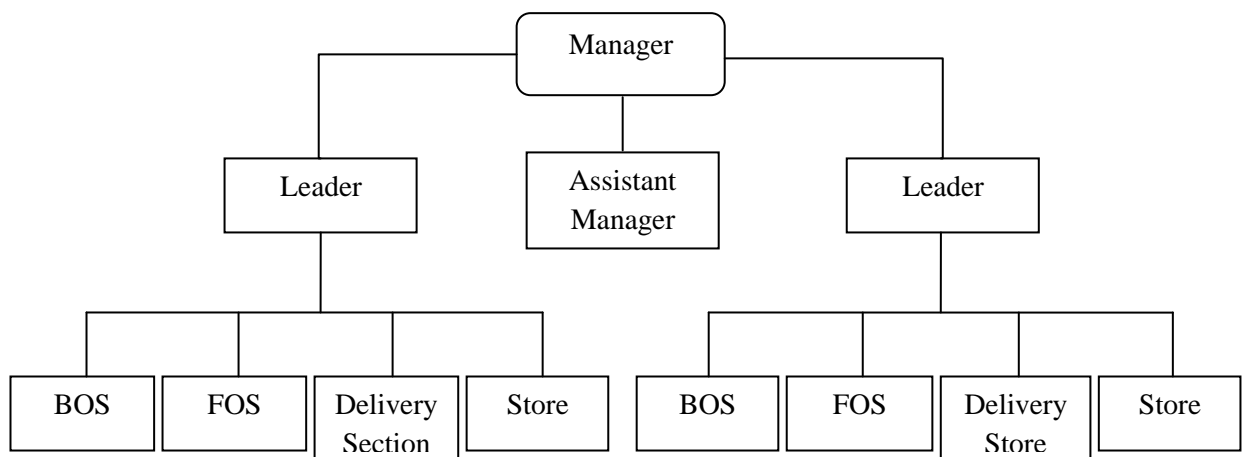


Figure 1.1 Organizational Charts

Source: Adopted from Papa Ron's Pizza Cikarang

1.3 Problem Identified

The customers need best services to fulfill their need or want, started when they buy the product, the way to getting the product, and even until they used the product that already they bought from one restaurant. So they will really keep eye open of the experience which they got in that activity. Actually it's to make them enjoy and have an easy process on using the product. So to be certain they need the best quality of service that given by the restaurant.

In this case, researcher tries to find out the tendency of the customer about the service. Are they satisfied or not, so the company can find a way to keep the situation or even increase the quality of service in order to make the customer satisfaction, so the customer will be loyal and tend to repurchase or purchase another product from the restaurant.

Based on the data which researcher got from Papa Ron's Pizza Cikarang (annual report), researcher known that there is decreasing the number of customer in 2009 and continued to 2010. It is different with the number of customer in 2008 (see Figure 1.2). So the researcher tries to find out the reason of this problem, is the problem caused of bad service quality from the restaurant or because of other reason. With this research we will know there is an influence or there is no influence of service quality toward customer loyalty in Papa Ron's Cikarang.

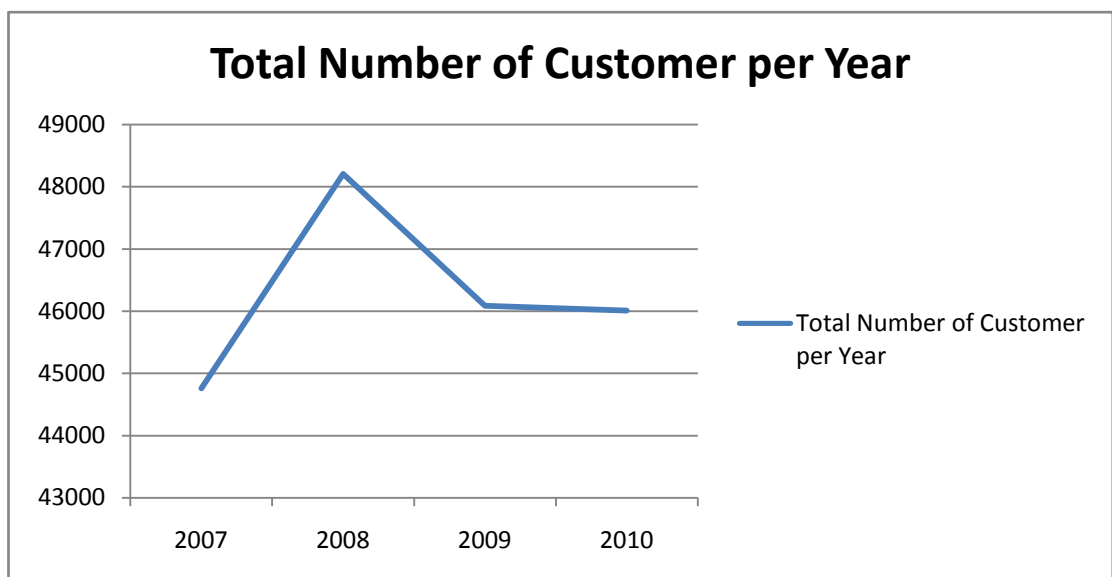


Figure 1.2 Total Numbers of Customer per Year

Source: Self Construct Based on Annual Report of Papa Ron's Pizza Cikarang

1.4 Statement of Problem

From the explanation above, researcher intend to solve problems as follows:

- a. Are service quality variables (tangible, empathy, assurance, reliability, and responsiveness) partially influencing customer loyalty at Papa Ron's Pizza Cikarang?
- b. Are service quality variables (tangible, empathy, assurance, reliability, and responsiveness) simultaneously influencing customer loyalty at Papa Ron's Pizza Cikarang?

1.5 Research Objective

The objectives of this research are:

- a. To know the influence of service quality towards customer loyalty at Papa Ron's Pizza Cikarang partially.
- b. To know the influence of service quality towards customer loyalty at Papa Ron's Pizza Cikarang simultaneously.

1.6 Significance of the Research

This research expected to have some advantages, the advantages as follows:

- a. For Organization

By doing this research, it can be a key to know is there are an influence of service quality towards customer loyalty at Papa Ron's Pizza Cikarang. Then the result can be used by the restaurant as an input to improve the quality of service. The research gives an overview for the restaurant and how the management utilizes its

resources in order to perform the best. It can be a consideration for the restaurant to evaluate and improve its service quality.

b. For further research

This research can be used as references for further research to analyze more detail variables.

c. Researcher

This research can be used to improve our knowledge by implementing theories which has been learned during study in university.

1.7 Theoretical Framework

According to Parasuraman et al. stated (in Kotler and Keller, 2009), there are five dimensions of service quality that can be a variable to measure service quality. The first variable is tangible, is the appearance of physical facilities, equipment, personnel, and communication materials. Second is empathy, means the provision of caring, individualized attention to customers. Third is assurance, it is the knowledge and courtesy of employees and their ability to convey trust and confidence. Fourth is reliability, it is the ability to perform the promised service dependably and accurately. The last is responsiveness, it is everything about the willingness to help customers and provide prompt service.

Based on Figure 1.3, can be concluded there are six variables in this research, which consist of tangible(X1), empathy (X2), assurance (X3), reliability (X4), and responsiveness (X5) which included to independent variables, and customer loyalty (Y) as dependent variable. In this research, researcher try to find out is there an influence of independent variable (X) towards independent variable (Y) simultaneously and partially.

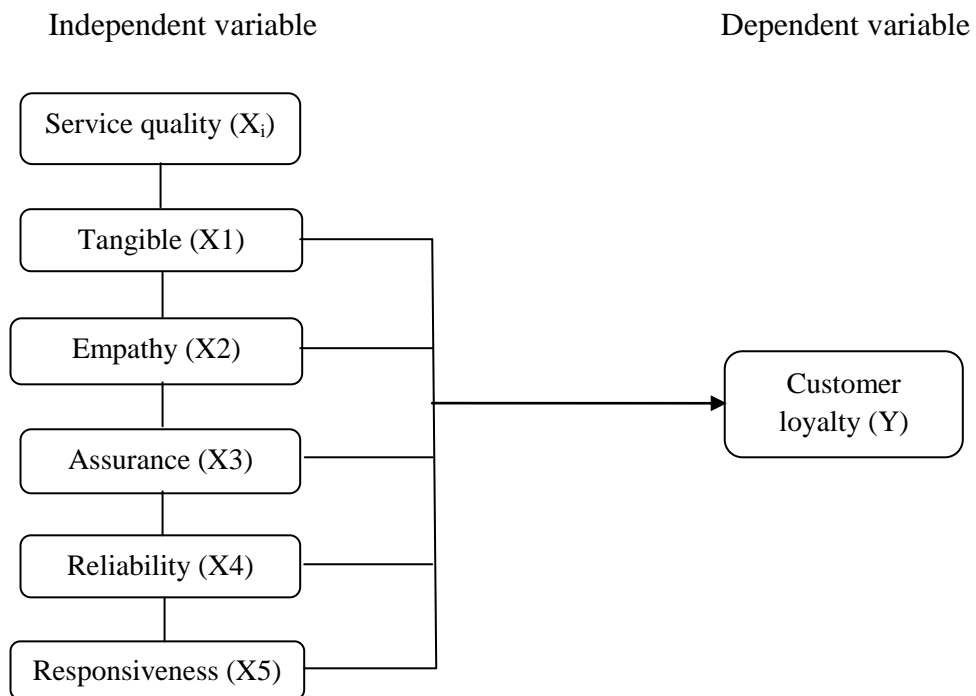


Figure 1.3 Theoretical Frameworks

Source: Self Construct

1.8 Scope and Limitation of the Study

This research is focus on the topic: the influence of service quality towards customer loyalty at Papa Ron's Pizza Cikarang. In this research, researcher only focuses on customer of Papa Ron's Pizza Cikarang, and the limitation of this research is only focus on the influence of service quality towards customer loyalty in the restaurant. Other factors which not listed in this research are not observed. Some of the data that needed in this research are quite limited, such as the number of customer loyalty in 1 year.

1.9 Hypothesis

In this research, researchers would like to test hypothesis related the quality of service conducted in Papa Ron's Pizza Cikarang towards customer loyalty.

H₀₁ : There is no influence of service quality towards customer loyalty partially.

H_{a1} : There are an influence of service quality towards customer loyalty partially.

H₀₂ : There is no influence of service quality towards customer loyalty simultaneously.

H_{a2} : There are an influence of service quality towards customer loyalty simultaneously.

1.10 Definition of Term

Some of the term use by researcher in this research as follows:

- a. Service quality (SERVQUAL): is the totally of features and characteristics of a service that bear on its ability to satisfy stated or implied needs (Kotler and Keller, 2009).
- b. Customer: is the person who buys and use the products (Goetsch, S.L. & Davis, S.B. (2006).
- c. Customer loyalty: is a customer's willingness to continue patronizing a firm over the long term, and recommending the firm's products to friends and associated (Lovelock et al. 2005).

CHAPTER 2

LITERATURE REVIEW

2.1 Understanding Quality

Based on Goetsch, S.L. & Davis, S.B. (2006), to understand service quality, firstly it's required to understand about quality itself. Customers that are business will define clearly about quality with specification, standards, and other measures. This makes the point that quality can be defined and measured. Although few customers could define quality asked, all know it when they see it. This makes critical point that quality is the eye of the beholder. With the total quality approach, customers ultimately define quality.

According to Kotler, P and Keller, K.L. (2009), quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. Based on Kotler et al., (2009), quality has a direct impact on product or service performance. Thus, it is closely linked to customer value and satisfaction. Similarly, Siemens (stated in Kotler et al., 2009) defines quality this way: "Quality is when our customers come back and our products don't".

According to Goetsch, S.L. & Davis, S.B., (2006), people deal with the issue of quality continually in their daily lives. Everybody concern with quality when grocery shopping, eating in restaurant, and making a major purchase such as an automobile, a home, a television, or a personal computer. Whether the people articulate them openly or keep them in the back of our minds, everybody apply a number of criteria when making a purchase. The extent to which a purchase meets these criteria determines its quality in our eyes.

In landmark book *Out of the Crisis*, W. Edwark Deming (stated in Goetsch, S.L. & Davis, S.B., 2006) has this say about quality. Quality can be defined only in terms of the agent. Who is the judge of quality? In the mind of the production worker, he produces quality if he takes pride in his work. Poor quality, to him, means loose of business, and perhaps of his job. Good quality, he thinks, will keep

the company in business. According to Kotler et al., (2009), service itself means any activity or benefits that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

2.1.1 Definition of Service Quality

Based on Kotler & Armstrong (2010), service are a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything. According to Lovelock et al. (2005), in a service context, improving quality entails creating better service processes and outcomes to improve customer satisfaction. Quality has historically been seen as issues for operations managers. When improvements in these areas required better employee selection, training, and supervision, then human resource managers were expected to get involved too. It was not until service quality was explicitly linked to customer satisfaction that marketers, too, were seen as having an important role to play. Broadly defined, the task of value enhancement requires quality improvement programs to deliver and continuously enhance the benefits desired by customers.

Based on Grönroos, Parasuraman, Zeithaml, & Berry (stated in Akbar and Parvez, 2009), traditionally service quality has been conceptualized as the difference between customer expectations regarding a service to be received and perceptions of the service being received. And according to Lewis & Mitchell, Dotchin & Oakland (stated in Akbar and Parvez, 2009), in some earlier studies, service quality has been referred as the extent to which a service meets customers' needs or expectations. Based on Zeithaml, Berry, & Parasuraman (stated in Akbar and Parvez, 2009), it is also conceptualized as the consumer's overall impression of the relative inferiority or superiority of the services.

2.1.2 Capturing the Customer's Perspective of Service Quality

In order to measure customer satisfaction with different aspects of service quality, Zeithaml and her colleagues (stated in Lovelock et al., 2005) developed a survey research instrument called SERVQUAL. It is based on the premise that customers

can evaluate a firm's service quality by comparing their perceptions of its service with their own expectations. SERVQUAL is seen as a generic measurement tool that can be applied across a broad spectrum of service industries.

Based on Lovelock et al., (2005), SERVQUAL has been widely used by service companies, doubts have been expressed with regard to both its conceptual foundation and methodological limitations. Comparing performance to expectations works well in reasonable competitive markets where customers have sufficient knowledge to purposefully choose a service that meets their need and wants. However, in uncompetitive markets or in situations where customers do not have free choice (e.g., because switching costs would be prohibitive, or because of time or location constraints), there are risks to defining service quality primarily in terms of customers' satisfaction with outcomes relative to their prior expectations.

According to Lovelock et al., (2005), satisfaction based research into quality assumes that customers are dealing with services that are high in search or experience characteristics. A problem arises when they are asked to evaluate the quality of those services that are high in credence characteristics, such as complex legal cases or medical treatments, which they find hard to evaluate even after delivery is completed. In short, the customers may not be sure what to expect in advance and they may not know for years, if ever, how good a job the professional actually did. A natural tendency in such situations is for clients or patients to use process factors and tangible cues as proxies to evaluate quality.

Based on Lovelock et al., (2005), *process factors* include customers' feelings about the providers' personal style and satisfaction levels with those supplementary elements that they are competent to evaluate (for example, the clarity of bills for legal services). As a result, customer's perceptions of core service quality may be strongly influenced by their evaluation of process attributes and tangible elements of the service-a halo effect. In order to obtain credible measures of professional performance quality, it may be necessary to

include peer reviews of both process and outcomes as these relate to service execution on the core product.

2.1.3 Service Quality Dimension

The most extensive research into service quality is strongly user oriented. From focus group research, Zeithaml, Berry, and Parasuraman (stated in Akbar and Parvez, 2009), identified ten criteria used by consumers in evaluating service quality. In subsequent research, they found a high degree of correlation between several of these variables and so consolidated them into five broad dimensions.

Then, Parasuraman et al. (stated in Kotler and Keller, 2009) identified the following five determinant of service quality, in order of important:

- a. Tangibles – the appearance of physical facilities, equipment, personnel, and communication materials.
- b. Empathy – the provision of caring, individualized attention to customers.
- c. Assurance – the knowledge and courtesy of employees and their ability to convey trust and confidence.
- d. Reliability – the ability to perform the promised service dependably and accurately.
- e. Responsiveness – the willingness to help customers and provide prompt service.

Based on these five factors, Parasuraman et al. (stated in Kotler and Keller, 2009) developed 22 items SERVQUAL scale:

- a. Tangible
 1. Modern equipment
 2. Visually appealing facilities
 3. Employees who have a neat, professional appearance
 4. Visually appealing materials associated with the service
- b. Empathy

1. Giving customers individual attention
 2. Employees who deal with customers in a caring fashion
 3. Having the customers' best interest at heart
 4. Employees who understand the needs of their customers
 5. Convenient business hours
- c. Assurance
1. Employees who instill confidence in customers
 2. Making customers feel safe in their transactions
 3. Employees who are consistently courteous
- d. Reliability
1. Providing service as promised
 2. Dependability in handling customers' service problem
 3. Performing services right the first time
 4. Providing services at the promised time
 5. Maintaining error-free records
 6. Employees who have the knowledge to answer customer question
- e. Responsiveness
1. Keeping customer informed as to when services will be performed
 2. Prompt service to customers
 3. Willingness to help customers
 4. Readiness to respond to customers' request

2.1.4 Measuring and Improving Service Quality

Based on Lovelock et al. (2009), customer defined standards and measures of service quality can be grouped into two broad categories: "soft" and "hard". Soft measures are those that cannot easily be observed and must be collected by talking to customer, employees, or others. As noted by Zeithaml and Bitner (stated in Lovelock et al., 2009), "soft standards provide direction, guidance, and feedback to employees on ways to achieve customer satisfaction and can be quantified by measuring customer perceptions and beliefs. SERVQUAL is an example of a sophisticated soft measurement system.

By contrast, according to Lovelock et al. (2009), hard standards and measures relate to those characteristics and activities that can be counted, timed, or measured through audits. Measures may include such things as how many telephone calls were abandoned while the customer was on hold, how many minutes customer had wait in line at particular stage in the service delivery, the time required to complete a specific task, and how many orders were filled correctly. Standards are often set with reference to the percentage of occasions on which a particular measure is achieved. The challenge for service marketers is to ensure that operational measures of service quality reflect customer input.

As stated in Lovelock et al. (2009), organizations that are known for excellent service make use of both soft and hard measures. Among other things, they are good at listening to both their customer and their customer-contact employees. The larger the organization, the more important it is to create formalized feedback programs using a variety of professionally designed and implemented research procedures.

2.2 Understanding Customer and Its Define Quality

Based on Goetsch, S.L. & Davis, S.B., (2006), in total quality setting, customers define quality and employees produce it. Historically, organizations have viewed customers as people who buy and use their products. Any employee whose work precedes that of another employee is a supplier for the employee. Correspondingly, any employee whose work follows that of another employee and is dependent on it some way is a customer.

According to Peter R. Scholtes (stated in Goetsch, S.L. & Davis, S.B., 2006), “only once you understand what processes and customers are will you be able to appreciate what quality means in the new business world. If customers are people who receive your work, only they can determine what quality is, only they can tell you what they want how they want it. That’s why a popular slogan of the quality movement is “quality begins with the customer.”

In his book *Total Manufacturing Management*, Giorgio Merli (stated in Goetsch, S.L. & Davis, S.B., 2006) makes the following points about customer defined quality:

- a. The customer must be the organization's top priority. The organization's survival depends on the customer.
- b. Reliable customer is the most important customers. A reliable customer is one who buys repeatedly from the same company. Customers who are satisfied with the quality of their purchase from an organization become reliable customers. Therefore, customer satisfaction is essential.
- c. Customer satisfaction is ensured by producing high quality products. It must be renewed with every new purchase. This cannot be accomplished if quality, even though it is high, is static. Satisfaction implies continual improvement. Continual improvement is the only way to keep customers satisfied and loyal.

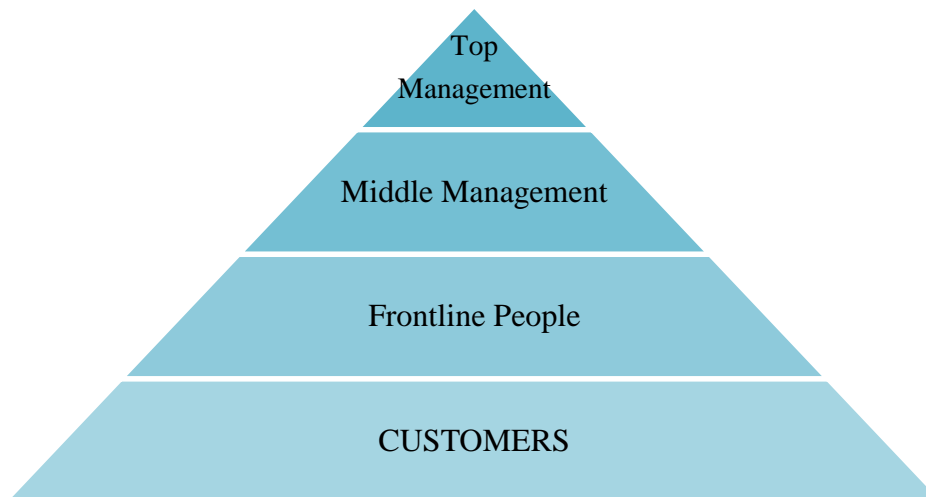
Based on Goetsch, S.L. & Davis, S.B., (2006), if customer satisfaction is the highest priority of a total quality organization, then it follows that such an organization must have a customer focus. The key to establishing a customer focus is putting employees in touch with customer and empowering those employees to act as necessary to satisfy the customers. There are a number of ways to put employees in touch with customers. Actual contact may be in person, by telephone, or through reviewing customers provided data. At this point, it is necessary to understand only that employee-customer interaction is a critical element in establishing a customer focus.

2.3 Customer loyalty

Creating loyal customers is at the hearth of every business. As marketing experts Don Peppers and Martha Rogers (stated in Kotler and Keller, 2009) say "the only value your company will ever create is the value that comes from customers-the ones you have now and the ones you will have in the future. Business successes

by getting, keeping, and growing customers, lay fiber-optic lines, or engage in any business activity. Without customers, you don't have a business”.

a. Traditional Organization Chart



b. Modern Customer-Oriented Organization Chart

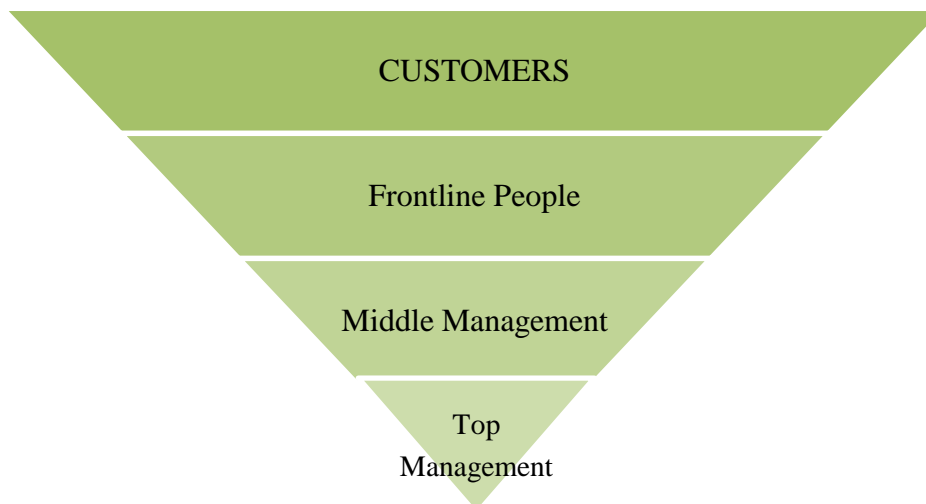


Figure 2.1 Traditional Organizations versus Modern Customer-Oriented Company Organization

Source: Philip Kotler & Kevin Lane Keller, “Marketing Management, 13th edition, 2009.

According to Kotler and Keller (2009), managers who believe the customer is the company's only true “profit center” consider the traditional organization chart in

Figure 2.1(a) pyramid with the president at the top, management in the middle, and frontline people and customers at the bottom. Successful marketing companies invert the chart. In figure 2.1(b), at the top are customers, next in importance are frontline people who meet, serve, and satisfy customers. Under them are the middle managers, whose job is to support the frontline people so they can serve customers well. At the base is top management, whose job is to hire and support good middle manager.

According to Cronin & Taylor; Narayandas; Prus & Brandt; Zeithaml, Berry, & Parasuraman (stated in Akbar and Parvez, 2009), customer loyalty as a construct is comprised of both customers' attitudes and behaviors. Customers' attitudinal component represents notions like: repurchase intention or purchasing additional products or services from the same company, willingness of recommending the company to others, demonstration of such commitment to the company by exhibiting a resistance to switching to another competitor, and willingness to pay a price premium.

On the other hand, according to Feick & Lee (stated in Akbar and Parvez, 2009), the behavioral aspect of customer loyalty represents actual repeat purchase of products or services that includes purchasing more and different products or services from the same company, recommending the company to others, and reflecting a long-term choice probability for the brand. It can be concluded that customer loyalty expresses an intended behavior related to the product or service to the company. Pearson (stated in Akbar and Parvez, 2009) has defined customer loyalty as the mindset of the customers who hold favorable attitudes toward a company, commit to repurchase the company's product or service, and recommend the product or service to others.

Frederick F. Reichheld (stated in Lovelock et al. 2005) has defined:

The first step in managing a loyalty-based business system is finding and acquiring the right customers.

Based on Lovelock et al., (2005), targeting, acquiring, and retaining the right customers are at the core of many successful service firms. In this part, researcher emphasizes the important of carefully choosing target segments and taking pains to build and maintain their loyalty through well-conceived relationship marketing strategies. Underlying this strategy is the notion of market segmentation. More and more firms are trying to decide which types of customer they can serve well, rather than try to be all things to all people. Once a firm has won customer whom it sees as desirable, the challenge shifts to building relationships and turning them into loyal customers who will do a growing volume of business with the firm in the future.

2.3.1 The Search for Customer Loyalty

According to Lovelock et al. (2005), loyalty is an old fashioned word that has traditionally been used to describe fidelity and enthusiastic devotion to a country, cause, or individual. More recently, in a business context, it has been used to describe a customer's willingness to continue patronizing a firm over the long term, and recommending the firm's products to friends and associated. Brands loyalty extends beyond behavior to include preference, liking, and future intentions.

Richard Oliver (stated in Lovelock et al. 2005) has argued that consumers first become loyal in a cognitive sense, perceiving from brand attribute information that one brand is preferable to its alternatives. At the second stage is affective loyalty, where a consumer develops a liking for the brand based on cumulatively satisfying usage occasions. Such attitudes are not easily dislodged by counter arguments from competitors. At the third stage is conative loyalty, where the consumer is committed to rebuying the same brand. This should lead to the fourth stage, which is action loyalty, where the consumer exhibits consistent repurchase behavior.

Based on Lovelock et al., (2005), few companies think of customers as annuities. Yet that is precisely what a customer loyalty can mean to a firm a consistent

source of revenue over a period of many years. However, this loyalty cannot be taken for granted. It will only continue as long as the customer feels that he or she is receiving better value (including superior quality relative to price) than could be obtained by switching to another supplier. The active management of the customer base and customer loyalty is also referred to as customer asset management.

2.3.2 Building Customer Loyalty

What makes customers loyal to a firm, and how can marketers increase their loyalty? In this part, we first review the common loyalty drivers for customers and then explore the foundations of loyalty and how firms can build or enhance such loyalty drivers further. Research by Gwinner, Gremler, and Bitner (stated in Lovelock et al. 2005) suggest that relationships create value for individual consumers through such factors as inspiring greater confidence, offering social benefits, and providing special treatment.

Based on Lovelock et al., (2005), the foundation for true loyalty lies in customer satisfaction. Highly satisfied or even delighted customers are more likely to become loyal apostles of a firm, consolidate their buying with one supplier, and spread positive word of mouth. In contrast, dissatisfaction drives customers away and is a key factor in switching behavior.

According to Lovelock et al., (2005), there is the relationship between satisfaction and loyalty which is divided into three main zones. First, the *zone of defection* is at low satisfaction levels. Customers will switch unless switching costs are high or there are no viable or convenient alternatives. Extremely dissatisfied customers, provide an abundance of negative word of mouth for the service provider. Second, the *zone of indifference* is at intermediate satisfaction levels. Here, customers are willing to switch if they find a better alternative. Third, the *zone of affection* is at very high satisfaction levels, and customers can have such high attitudinal loyalty that they do not look for alternative service providers. So that, having the right portfolio of customer segment, attracting the right customers, tiering the service

and delivering high levels of satisfaction are a solid foundation for creating customer loyalty

2.3.3 Measuring Customer Loyalty

According to Rusdarti (stated in Sunarto, 2006), there are several indicators in measuring customer loyalty, rebuy, retention, and referral. Whereas according to Singh (stated in Sunarto, 2006), indicators of customer loyalty is percentage of buying, call frequency, and recommended to others. The indicators of the research are adopted based on Selnes (stated in Sunarto, 2006) which is consisting of:

- a. Frequency of transaction is how often the customer does transaction through the company.
- b. Repurchase, is the willingness of customers to do transaction again by using the service provided by the company.
- c. Recommendation is verbal communication about the experience of good customer transaction to others.
- d. Commitment is the willingness of customer to continue utilizing the service in the future.

According to Goetsch, S.L. & Davis, S.B., (2006), companies work hard to build customer loyalty. The goal is to keep the customer for the long term. The theory is that a loyal customer is a customer forever. It is easy to see what drives the desire to create customer loyalty. Companies spend so much in marketing to attract customers that they must keep for the long term.

The benefits of customer loyalty are potentially huge. The loyal customer should be viewed in terms of lifetime spending potential. As Johnston and Clark (stated in Harrison, A. and Hoek, R.V., 2008) put it, loyal customer:

1. Generate long-term revenue streams (high lifetime values);
2. Tend to buy more than new customers;
3. Tend to increase spending over time;
4. May be willing to pay premium prices;

5. Provide cost savings compared with attracting new customers.

By having many loyal customers in company it will increase many profits without spending more money. Loyal customers will repurchase or purchase another product from the company because they already satisfied with the company. Even they will recommend the positive things of company to others. So the company should not spend more money in marketing.

2.4 Relationship between Service Quality and Customer Loyalty

In various studies the relationship between service quality and customer preference loyalty had been examined. In their study, Cronin and Taylor (stated in Akbar and Parvez, 2009) focused solely on repurchase intentions, whereas Boulding et al. (stated in Akbar and Parvez, 2009) focused on the elements of repurchasing as well as the willingness to recommend.

In the study by Cronin and Taylor (stated in Akbar and Parvez, 2009), service quality did not appear to have a significant (positive) effect on repurchase intentions (in contrast to the significant positive impact of satisfaction on repurchase intention), whereas Boulding et al. (stated in Akbar and Parvez, 2009) found positive relationships between service quality and repurchase intentions and willingness to recommend. In other research, Rusdarti (stated in Sunarto, 2006) found that service quality has a significant impact on customer loyalty. If the service provided by the company are good, and the customer will be satisfy and that will impact on increasing loyalty of customers.

Based on explanation above, could be seen that there are strong relationship between service quality and customer loyalty. To get customer loyalty, a company or industry should increase their quality of service, so that the customer will satisfy and tend to be loyal. Hence, the customer will be intense repurchase and willing to recommend to other.

2.5 Previous Study

In this section, it provided some previous research about service quality and customer loyalty. Then by looking the result of the research, it can compare with this research. Is this research has same result or not. The description of the research as follows:

Table 2.1

Description of Previous Research

No.	Author	Topic	Result
1	Akbar and Parvez (2009)	Impact of Service Quality, Trust, Customer Satisfaction on Customer Loyalty	Trust and customer satisfaction are significantly and positively related to customer loyalty. Customer satisfaction has found to be an important mediator between perceived service quality and customer loyalty
2	Sunarto (2006)	Analisis Pengaruh Strategi Membangun Loyalitas Pelanggan Dan Dampaknya Terhadap Keunggulan Bersaing	Service quality has positive influence to customer loyalty

Source: Self Construct

The research by Akbar and Parvez (2009) has proposed a conceptual framework to investigate the effect of customers' perceived service quality, trust, and customer satisfaction on customer loyalty. The data that used in the research collected from 304 customers of major private telecommunication company operating in Bangladesh, and the result can be seen on table 2.1. Trust and customer satisfaction are significant and positively related to customer loyalty.

The research by Sunarto (2006) proposed model which analyze competitive advantage through customer loyalty of BRITAMA BRI Kendal branch with testing factors suspected, i.e.: brand reputation, customer satisfaction, and service quality. The research used 105 of customers of BRITAMA BRI Kendal Branch.

The result of the data shows that research model has good fit and the entire hypothesis can be proved. The conclusion are: brand reputation, customer satisfaction, and service quality has positive influence to customer loyalty, service quality has positive influence to customer satisfaction, customer loyalty and service quality has positive influence to competitive advantage.

CHAPTER 3

METHODOLOGY

3.1 Research Method

Research generally can be analyzed using 2 methods, qualitative and quantitative method. Based on Cooper and Schindler (2008), qualitative research is designed to tell the researcher how (process) and why (meaning) things happen as they do. Whereas, quantitative research attempts precise measurement of something. Quantitative data often consists of participant responses that are coded, categorized, and reduce to numbers so that these data may be manipulated for statistical analysis. Then, in this research, researcher uses a quantitative method in analyzing the data.

This research can be categorized as quantitative research because it attempts to measure the loyalty of customers. In quantitative research, the aim is to determine the relationship between one thing (an independent variable) and another thing (dependent variable) in a population. Here, researcher will measured the frequency of each variables, and analyze is there any influences between these variables.

There are six variables which are measured in this research. Five variables included to independent variable that is indicators of SERVQUAL (X) that can influence the other variable, consist of tangibles (X1), empathy (X2), assurance (X3), reliability (X4), and responsiveness (X5). Another variable called dependent variable which is represented by customer loyalty (Y) which is influence by independent variable.

3.2 Time and Place of Research

This research was conducted at Papa Ron's Pizza Cikarang. In collecting the data, researcher was distributed a questionnaires to a customer of Papa Ron's Pizza

Cikarang. The research was conducted start from Tuesday, 13 January 2012 until Saturday, 17 January 2012.

3.3 Research Instruments

The data that used in this research is primary data. The researcher makes a survey in the company and directly meets the customer to find the influence of service quality from the company toward customer loyalty. In this part, researcher collect the data by using questionnaire which provide any questions related with service quality to the customer who come to the restaurant. Researcher tries to investigate the relationship between customers' perceived service quality and customer loyalty.

The questionnaire was constructed based on the literature reviews and also should be from previous research. There are three types of questions, question related to respondent identity, questions related to service quality and questions related to customer loyalty.

3.3.1 Question Form

The questionnaire consists of three parts, the first parts of question consist of 5 questions are related with respondent identity, some personal information gathered is:

1. Gender
2. Age
3. Marital status
4. Education
5. Range of their income

The second part of questions consist of 16 questions which is related with service quality is constructed based on variable of service quality (tangible, empathy, assurance, reliability, and responsiveness). The last parts of questions which is related to customer loyalty in terms of whether customers satisfy with the service and willing to repurchase or purchase another product from the restaurant,

consists of 3 questions. The questions construct based on customer loyalty indicators (frequency of transaction, repurchase, recommendation, and commitment). The questionnaire also construct based on previous research that analyzed same variables.

3.3.2 Instrument Distribution

Self administered questionnaire used in this research, so the researcher spread the questionnaire personally and wait the respondent while they answering or fulfill the questionnaire, and after finish, the questionnaire will be submitted to researcher directly. Researcher used self administered questionnaire because the researcher can facilitate customer in answering the question. The researcher can explain about the question if there are sometimes customer have difficulties in understanding the question. This method also can reduce sampling error, because with this way researcher can reduce unreturned questionnaires.

3.3.3 Scaling

This research uses Likert Scales. According to Cooper and Schindler (2008), a Likert Scale, in is the most frequently used variation of the summated rating scale. Summated rating scales consist of statements that express either a favorable or an unfavorable attitude toward the object of interest. The participant is asked to agree or disagree with each statement. The respondent will answer the questions which provided by researcher in the questionnaire. There are five points scales will be used in the questionnaire, “strongly agree, agree, neutral, disagree, and strongly disagree”.

Table 3.1

Likert Scales

Description	Score
Strongly agree	5
Agree	4
Neither agree nor disagree	3
Disagree	2
Strongly disagree	1

Source: Cooper and Schindler (2008)

3.4 Sampling Design

3.4.1 Population

Based on Cooper & Schindler (2008), a population is the total collection of elements about which we wish to make some inferences. A population element is the individual participant or object on which the measurement is taken. This research observes about service quality and customer loyalty at Papa Ron's Pizza Cikarang, so the population is customer of Papa Ron's Pizza Cikarang. In this case, researcher did not know the actual number of population of this research, because there are so many customers of Papa Ron's Pizza Cikarang (unknown population) and will be increasingly any time.

3.4.2 Sampling

Simple random sampling used in this research, it's because researcher chooses the sample randomly. Each unit of the population has an equal chance of being selected for the sample. Whenever a unit is selected for the sample, the units of the population are equally likely to be selected. According to Cooper & Schindler (2008), the simple random sample is considered a special case in which each population element has a known and equal chance of selection. So every customer

who comes to restaurant can be a sample. Each individual is chosen randomly, and each respondent has the same probability of being chosen at any stage during the sampling process.

To determine the number of sample, researcher used *infinite population* formula. The formula as follows:

$$n = \frac{\{(Z^2) \times (p) \times (1 - p)\}}{c^2}$$

Figure 3.1 Infinite Population Formula

Source: Cooper & Schindler, 2008

- n : number of sample needed
- Z : 1,96 (95% confidence levels)
- p : percentage of population with a particular choice
- c : 0.05

In order to find the actual sample, researcher has to spread questionnaire for some respondents, because the equation required the percentage of population with a particular choice. Then, after spread 30 questionnaires, researcher got 26 person out of 30 has been visited Papa Ron's Pizza Cikarang at least once, and 4 person are never visited the restaurant. Hence, researcher used 0,87 (the number of respondent who has been visited divided total number of respondent) as value of p (percentage of population with a particular choice). Then, researcher put 1,96 or 95% for confidence level because it is commonly used for social research.

Table 3.2

Respondent visited

Visit more than once	First visit	Total respondent
26	4	30

Source: Self Construct

The computation is followed:

$$n = \frac{\{(1,96)^2 \times (0,87) \times (1-0,87)\}}{(0,05)^2} = \frac{0,4345}{0,0025} = 173,79$$

Based on the computation, researcher got 173,79 for total minimum sample and grounded to be 174 sample to used in this research.

3.5 Validity and Reliability Testing

Before calculating the data, researcher has to find the validity and reliability of the data. Hence, next researcher will explain the method used to calculate it.

3.5.1 Validity

In this research, researcher uses questionnaire to collect data. Then, after constructing the instrument, the instrument should be testing its validity to the sample where the population taken. According to Cooper and Schindler (2008), validity is the extent to which a test measures what actually to be measured. Valid instrument means the instrument used to collect the data is valid. So to measure reliable and valid questionnaire, researcher have to analyze the questionnaire with validity and reliability testing. Validity testing can measured with help of SPSS system using *pearson product-moment coefficient of correlation*. The equation as follow:

$$r = \frac{\sum XY - \frac{(\sum X)(\sum Y)}{n}}{\sqrt{\left(\sum X^2 - \frac{(\sum X)^2}{n}\right) \left(\sum Y^2 - \frac{(\sum Y)^2}{n}\right)}}$$

Figure 3.2 Pearson Product-Moment Coefficient Of Correlation Formula

Source: <http://www.stat.wmich.edu/s216/book/node122.html>

r : correlation between overall question instruments

n : The number of paired observation

$\sum X$: The X variable summed

$\sum Y$: The Y variable summed

$\sum X^2$: The X variable squared and the squares summed

$(\sum X^2)$: the X variable summed and the sum squared

$\sum Y^2$: the Y variable squared and the squares summed

$(\sum Y^2)$: the Y variable summed and the sum squared

$\sum XY$: the sum of the product of X and Y

The basic of decision making:

- a. If r Positive, and $r \geq r_{\text{tabel}}$ the item of the questionnaire is valid
- b. If r negative, and $r < r_{\text{tabel}}$ the item of questionnaire is invalid

3.5.2 Reliability

Based on Cooper and Schindler, (2008), reliability testing used to measure the reliability of the instrument to use in collecting the data. Reliability has to do with

the accuracy and precision of a measurement procedure. So if the instrument reliable, researcher can use the instrument in several times in the same object to collect the data needed. In most social research, a reliability coefficient of 0.70 or higher is considered “acceptable”. Reliability test in this research use a Cronbach’s alpha method. The equation as follow:

$$\alpha = \frac{N \cdot \bar{c}}{\bar{v} + (N - 1) \cdot \bar{c}}$$

Figure 3.3 Cronbach’s alpha formula

Source: <http://www.ats.ucla.edu/stat/spss/faq/alpha.html>

N : the number of instruments in question

c-bar : average intern-item covariance among the items

v-bar : the average variance

3.6 Data Analysis

In this research, statistic method used to analyzing the data, it means the data processed with analyze the statistic that doing to process quantitative data. There are six variables defined in this research to analyzing the data:

1. Tangible (X1), empathy (X2), assurance (X3), reliability (X4), and Responsiveness (X5) set as independent variable. .
2. Customer loyalty (Y) set as dependent variable.

Therefore, researcher uses Likert Scales as the statistical treatment. Then, after getting data from questionnaire, then researcher used SPSS system to calculate the data. The tool that used by researcher is multiple regression. The equation as follow:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Figure 3.4 Multiple Regression Equation

Source: http://www.oxfordjournals.org/our_journals/tropej/online/ma_chap3.pdf

Y : customer loyalty

β_0 : a constant, the value of Y when all X values are zero

$\beta_1 - \beta_5$: coefficient

X_1 : tangible

X_2 : empathy

X_3 : assurance

X_4 : reliability

X_5 : responsiveness

ε : Model error

Then, after researcher got the result, there is some measurement tools used to find and know the influence of service quality towards customer loyalty based:

1. F test

F test used to evaluate the influence of all independent variables towards dependent variables (overall). This method used to measure there are a significant influence independent (tangible, empathy, assurance, reliability, and responsiveness) towards dependent simultaneously.

If $F_{\text{count}} < F_{\text{table}}$ at $\alpha = 5\%$ significance level, so H_0 accepted, means that independent variables has no significant influence towards dependent variable simultaneously.

If $F_{\text{count}} > F_{\text{table}}$ at $\alpha = 5\%$ significance level, so H_a accepted, means that independent variable has significant influence towards dependent variable simultaneously.

2. T test

T test used to evaluate the influence of independent variable toward dependent variable individually.

If $T_{\text{count}} > T_{\text{table}}$ at $\alpha = 5\%$ significance level, so H_0 rejected and H_a accepted. It means that independent variable has significant influence towards dependent variable.

If $T_{\text{count}} < T_{\text{table}}$ at $\alpha = 5\%$ significance level, so H_0 accepted and H_a rejected. It means that independent variable has no significant influence towards dependent variable.

3. Classic assumption

Classic assumption used to produce linear estimator, unbiased and have minimum variant (Best Linear Unbiased Estimator = BLUE). Assumptions that are used in this study are:

a. Multicollinearity test

Based on Widarjono. A., (2010), multicollinearity is a linear correlation between independent variable in a multiple regression. There is strong correlation among some or even all independent variables. Multicollinearity can be detected from the covariance matrix determinant. If the value of covariance matrix determinant is very low, it gives an indication there is a problem in multicollinearity. Multicollinearity can be detected by using *variance inflation factor (VIF)* and *tolerance*. There is no problem in multicollinearity if the value of VIF is less than 10 tolerances more than 0.

b. Heteroscedasticity test

According to Widarjono. A., (2010), heteroscedasticity occurs when the variance of each error is not constant. So the heteroscedasticity problem will often appear in cross section than time series data. Heteroscedasticity means there is a different variance that can bias the result. Heteroscedasticity appears if independent variable (X) significantly influences the residual result of regression. Heteroscedasticity test is done by viewing a graph plot between the value of dependent variable and residual, where heteroscedasticity can be seen by the presence of a specific pattern on the graph. Based on Santoso stated (in Yustisia, E., 2008), the way to detect heteroscedasticity is by looking up a graph plot between dependent variable (SRESID) and independent variable (ZPRED).

c. Normality test

Normality tests are used to determine the normality of the data that distribute in statistics. Based on Yustisia, E., (2008), the normality of data distribution can be determined from residual values that normally distribute. A statistical test taken based on a normal distribution, so before analyzing the data, it is required that the normality assumption be met, because the analysis requires data that distribute normally. If the assumption does not meet the target, it will influence the conclusion, so the conclusion will not be reliable or deviate.

3.7 Hypothesis Testing

In this research, the researcher used the multiple regression method to test the hypothesis.

$H_0: \beta_1, \beta_2, \beta_3, \beta_4, \beta_5 = 0$, means that there is no influence between service quality (X) with customer loyalty (Y) at Papa Ron's Cikarang.

H_0 accepted if $F_{count} < F_{table}$ at $\alpha = 5\%$ significance level, means that service quality has no significant influence towards customer loyalty at Papa Ron's Cikarang.

$H_0: \beta_1, \beta_2, \beta_3, \beta_4, \beta_5 \neq 0$, means that there is an influence between service qualities (X) with customer loyalty (Y) at Papa Ron's Cikarang.

H_a accepted if $F_{count} > F_{table}$ at $\alpha = 5\%$ significance level, means that service quality has significant influence towards customer loyalty at Papa Ron's Cikarang.

CHAPTER 4

ANALYSIS OF DATA AND INTERPRETATION OF RESULTS

4.1 CHARACTERISTIC OF RESPONDENT

The characteristics of respondent in this research can be seen in the Table below as follow:

Table 4.1

Characteristic of respondent (gender)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	127	73,0	73,0	73,0
female	47	27,0	27,0	100,0
Total	174	100,0	100,0	

Source: primary data

Based on the table above, researcher knows that from 174 samples, there are 127 are male and 47 are female. It means that most of customers of Papa Ron's Pizza Cikarang are male.

Table 4.2

Characteristic of respondent (age)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 20 years	53	30,5	30,5	30,5
20-30 years	25	14,4	14,4	44,8
31-40 years	69	39,7	39,7	84,5
41-50 years	27	15,5	15,5	100,0
Total	174	100,0	100,0	

Source: primary data

The age of the sample, 53 sample or 30,5% are below 20 years old, 25 or 14,4% are 20-30 years old, 69 or 39,7% are 31-40 years old, 27 or 15,5% are 41-50 years old, and no one who are above 50 years old. It means that dominant age of the customer is around 31-40 years old.

Table 4.3

Characteristic of respondent (marital status)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid married	96	55,2	55,2	55,2
single	78	44,8	44,8	100,0
Total	174	100,0	100,0	

Source: primary data

Marital status of the sample, 96 people or 55,2% are married, and 78 or 44,8 of the sample are single. So, based on the result that shows in the table 4.3, it can be seen that most of customers are married.

Table 4.4

Characteristic of respondent (educational background)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid SMP	27	15,5	15,5	15,5
SMA	14	8,0	8,0	23,6
D III	38	21,8	21,8	45,4
Bachelor Degree	77	44,3	44,3	89,7
Postgraduate	18	10,3	10,3	100,0
Total	174	100,0	100,0	

Source: primary data

Then, based on respondent educational background, 27 people or 15,5% of the respondent are SMP, 14 people or 8% are SMA, 38 people or 21,8% are D III, 77 people or 44,3% are Bachelor Degree, 18 or 10,3% are Postgraduate. So the result, most of customers are bachelor degree with 44,3%.

Table 4.5

Characteristic of respondent (income)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < Rp.1.000.000	12	6,9	6,9	6,9
Rp.1.000.001 - Rp.2.000.000	13	7,5	7,5	14,4
Rp.2.000.001 - Rp.3.000.000	13	7,5	7,5	21,8
Rp.3.000.001 - Rp.4.000.000	23	13,2	13,2	35,1
> Rp.4.000.000	113	64,9	64,9	100,0
Total	174	100,0	100,0	

Source: primary data

Based on the table, can be seen that the highest frequency income of respondent are around above Rp.4.000.000 which is 113 respondent or 64,9%. 12 respondent or 6,9% have monthly income below Rp.1.000.000, 13 respondent or 7,5% have Rp.1.000.001-Rp.2.000.000, 13 respondent or 7,5% have Rp.2.000.001-Rp.3.000.000, and 23 respondent or 13,2% have Rp.3.000.001-Rp.4.000.000.

4.2 Result of Validity and Reliability Testing

4.2.1 Result of Validity Testing

Researcher already test the hypothesis of the data gathered from questionnaire in this research. In testing validity of the data, researcher used *pearson product-moment coefficient of correlation* with help of SPSS windows version 15.0. Based on the output of the SPSS, with significant level 5% and r table 0.1488 (see r value product-moment for n=174) all of the question in the questionnaire are valid. So the questionnaire is significant and has internal consistence, it means the questionnaire measures the same aspect. In order to the data which got from the questionnaire is valid and can be used for further analysis in this research (see Table 4.6).

Table 4.6

Validity of data

Name of variable	R table ($\alpha=5\%$)	Valid percent	Description
Tangible (X1-1)	.1488	.396	Valid
Tangible (X1-2)	.1488	.511	Valid
Tangible (X1-3)	.1488	.462	Valid
Empathy (X2-1)	.1488	.193	Valid
Empathy (X2-2)	.1488	.226	Valid
Empathy (X2-3)	.1488	.195	Valid
Assurance (X3-1)	.1488	.216	Valid
Assurance (X3-2)	.1488	.241	Valid
Assurance (X3-3)	.1488	.159	Valid
Reliability (X4-1)	.1488	.165	Valid
Reliability (X4-1)	.1488	.245	Valid
Reliability (X4-1)	.1488	.154	Valid
Responsiveness (X5-1)	.1488	.176	Valid
Responsiveness (X5-2)	.1488	.246	Valid
Responsiveness (X5-3)	.1488	.416	Valid
Responsiveness (X5-4)	.1488	.278	Valid
Customer Loyalty (Y-1)	.1488	.363	Valid
Customer Loyalty (Y-2)	.1488	.361	Valid
Customer Loyalty (Y-3)	.1488	.310	Valid

Source: primary data

Based on the table above, all of the question in the questionnaire are valid, so that the variables used in this research also valid and can be used for further research. Validity value for the variables are more than r table with significant level $\alpha=5\%$ that is 0.1488.

4.2.2 Result of Reliability Testing

Reliability testing used to measure the reliability of the instrument to use in collecting the data. Researcher used Cronbach's Alpha to test the reliability of the data with help SPSS windows version 15.0. The alpha value of each variable is better above 0.70.

Table 4.7

Reliability of data

Name of variable	Number of question	Reliable percent	Description
Tangible (X1)	3	.849	Reliable
Empathy (X2)	3	.809	Reliable
Assurance (X3)	3	.815	Reliable
Reliability (X4)	3	.860	Reliable
Responsiveness (X5)	4	.821	Reliable
Customer Loyalty (Y)	3	.920	Reliable

Source: primary data

Table 4.7 indicates the result of reliability testing for each variable. The 19 statements which is stated in the questionnaire accumulated based on its variable. Then, based on the result all variable has alpha value above 0.70, so we can conclude that all of the data are reliable.

4.3 Classic Assumption

This research used multiple regressions in analyzing data, so firstly it has going to do classic assumption testing, where in this case researcher used 3 kinds assumption as follow:

4.3.1 Normality Test

First kind of test is normality test. Normality test are used to determine the normality of the data that distribute in statistics. The normality of data distribution

can be determined from residual value that normally distribute. The data is normal if the residual distributed in the diagonal line. Based on Figure 4.1, the standardized residual spreads around diagonal line.

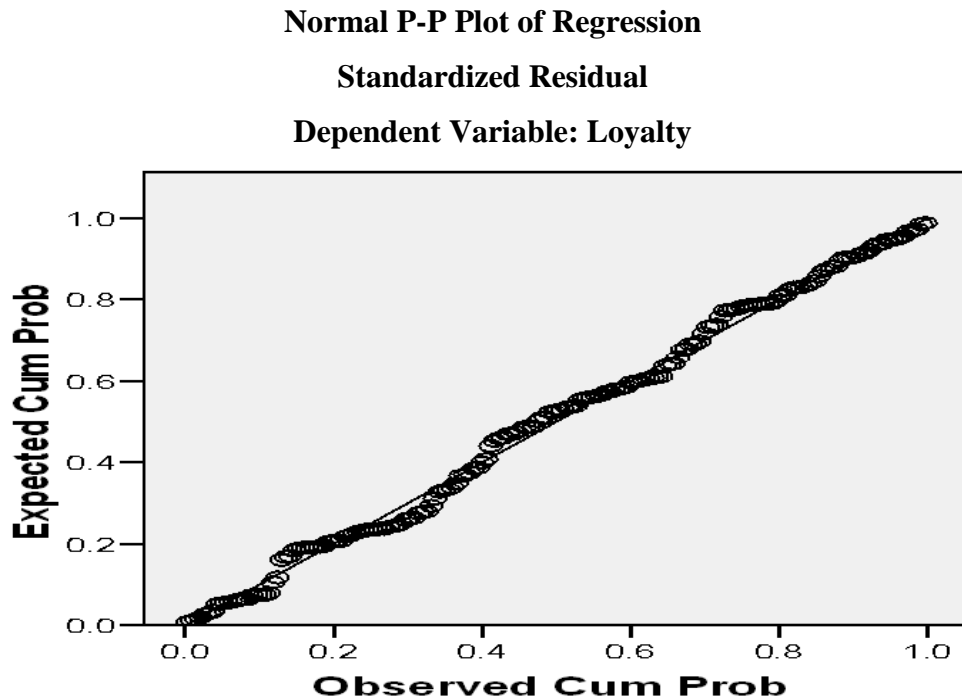


Figure 4.1 Normal P-P Plot of Regression standardized Residual

Source: SPSS calculation

4.3.2 Multicollinearity Test

Multicollinearity is a linear correlation between independent variable in a multiple regression. There is strong correlation among some or even all independent variables. Multicollinearity can be detected from the covariance matrix determinant. Multicollinearity can be detected by using *variance inflation factor (VIF)* and *tolerance*. If $VIF < 10$ and value of tolerance $> 0,1$, it means that there is non multicollinearity. The result of multicollinearity test can see as follow:

Based on the Table 4.8, all of variable indicators used in this research are free from multicollinearity, it means there is no multicollinearity in the variables, because the value of $VIF < 10$ and tolerance $> 0,1$, as required in this research.

Table 4.8

Result of Multicollinearity test

Independent Variable	Tolerance	VIF	Status
Tangible (X1)	.925	1.082	Non Multicollinearity
Empathy (X2)	.959	1.043	Non Multicollinearity
Assurance (X3)	.974	1.027	Non Multicollinearity
Reliability (X4)	.971	1.030	Non Multicollinearity
Responsiveness (X5)	.920	1.087	Non Multicollinearity

Source: primary data

4.3.3 Heteroscedasticity Test

Heteroscedasticity occurs when the variant of each error is not constantly. Heteroscedasticity appear if independent variable (X) significant influencing the residual of regression results. Heteroscedasticity test is done by viewing graph plot between value of dependent variable and residual, where heteroscedasticity can be seen by the presence of specific pattern on the graph. The result of heteroscedasticity test can be seen in the Figure 4.2 below.

Scatterplot
Dependent Variable: Loyalty

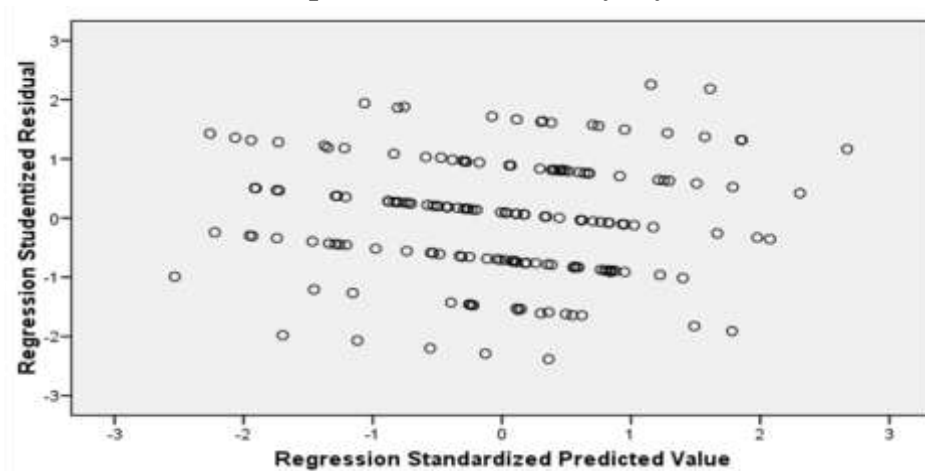


Figure 4.2 Result of Heteroscedasticity Test

Source: SPSS Calculation

Based on the result that shows in the figure, it indicates there is no heteroscedasticity problem. No specific patten presence on the scatterplot. So the data in this research are normal and can be used for further analysis.

4.4 Description of Variables

After collecting the data from questionnaire, researcher makes a description of the data and seen the result of each respondent and classify it based on its variables.

4.4.1 Tangible

Tangible are one of five variables that can influence customer loyalty in one company or industry. It is all about the appearance of physical facilities, equipment, personnel, and communication materials of the company or industry.

Table 4.9

Description of Tangible (X1)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
1	1	0.6	18	10.3	54	31.0	89	51.1	12	6.9	3.535
2	0	0.0	28	16.1	51	29.3	87	50.0	8	4.6	3.431
3	2	1.1	21	12.1	41	23.6	64	36.8	46	26.4	3.753
Average Mean											3.573

Source: primary data

The table above show that most of customers agree with the statement in the questionnaire about the appearance of physical facilities, equipment, personnel, and communication materials in Papa Ron's Pizza Cikarang. It proved and can be seen from the average mean of tangible variable, which are 3.573.

4.4.2 Empathy

Empathy variable is about the provision of caring, individualized attention of the waiter to customers, it is how the waiter give better service to the customer individually. Then, the response of respondent about the question related to empathy as follow:

Based on the table 4.10, can be seen that the average mean of empathy variable are 3.492, or most of respondent are agree with the statement in the questionnaire about empathy. They agree that by good empathy by the waiters, it can make them satisfied and even with the result will influence them to be a loyal customer in Papa Ron's Pizza Cikarang.

Table 4.10

Description of Empathy (X2)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
4	0	0.0	11	6.3	74	42.5	79	45.4	10	5.7	3.506
5	0	0.0	8	4.6	80	46.0	86	49.4	0	0.0	3.448
6	0	0.0	8	4.6	81	46.6	71	40.8	14	8.0	3.523
Average Mean											3.492

Source: primary data

4.4.3 Assurance

Assurance is everything about the employee in the company, especially the waiter. Customer will pay more attention about the knowledge and courtesy of employees and their ability to convey trust and confidence. So the customers will trust with the knowledge of the employee and enjoy the service.

Based on the table 4.11, the average mean of assurance variable are 3.356, or most of respondent agree that the variable are really needed by the employee in Papa Ron's Pizza Cikarang to build customer loyalty. Because Papa Ron's Pizza is restaurant industry that really need best service to support their product when the restaurant serving the customers. So its required good knowledge, courtesy, and ability of the employee in provide the services.

Table 4.11

Description of Assurance (X3)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
7	0	0.0	20	11.5	83	47.7	66	37.9	5	2.9	3.321
8	0	0.0	17	9.8	79	45.4	72	41.4	6	3.4	3.385
9	0	0.0	14	8.0	88	50.6	67	38.5	5	2.9	3.362
Average Mean											3.356

Source: primary data

4.4.4 Reliability

Reliability also can be a variable than can influence customer loyalty in one company or industry. It is about the ability of employee to perform the promised service dependably and accurately to customers.

Based on the table below, can be explained that, with average mean 3.397 or most of respondent agree with the statement about reliability in the questionnaire, means that the variable can impact the loyalty of customer in Papa Ron's Pizza Cikarang. The waiter required to have an ability, consistency, and also reliable in provide service to customers.

Table 4.12

Description of Assurance (X4)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
10	0	0.0	34	19.5	56	32.2	74	42.5	10	5.7	3.345
11	0	0.0	34	19.5	54	31.0	76	43.7	10	5.7	3.356
12	0	0.0	30	17.2	49	28.2	75	43.1	20	11.5	3.489
Average Mean											3.397

Source: primary data

4.4.5 Responsiveness

Responsiveness is one of five variables that can increase customer satisfaction and can help restaurant industry in building loyalty of customer to repurchase or purchase another product from the same restaurant. It is about how the employee keeping customer informed as to when services will be performed, provide prompt service to customers, willingness to help customers, and also the readiness to respond to customers' request.

Based on the table 4.13, can be seen that the average mean of responsiveness variable are 3.851, or most of customer agree that this variable also can influence the loyalty of customer. The respondent has positive perception about responsiveness of employees in Papa Ron's Pizza Cikarang, and that can help the restaurant in build customer loyalty.

Table 4.13

Description of Responsiveness (X5)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
13	0	0.0	10	5.7	37	21.3	101	58.0	26	14.9	3.822
14	0	0.0	10	5.7	46	26.4	86	49.4	32	18.4	3.805
15	0	0.0	12	6.9	27	15.5	102	58.6	33	19.0	3.897
16	0	0.0	10	5.7	34	19.5	97	55.7	33	19.0	3.879
Average Mean											3.851

Source: primary data

4.4.6 Customer Loyalty

Table 4.14

Description of Customer Loyalty (Y)

Question No.	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	
10	0	0.0	31	17.8	65	37.4	63	36.2	15	8.6	3.356
11	2	1.1	41	23.6	55	31.6	57	32.8	19	10.9	3.287
12	0	0.0	33	19.0	61	35.1	62	35.6	18	10.3	3.374
Average Mean											3.339

Source: primary data

Based on table 4.14, could be seen that the average mean of customer loyalty variable are 3.339. Some of respondent agree with the statement and another also moderate. It means that Papa Ron's Pizza Cikarang has to find factors that can

influence customer loyalty, such as increase their service in order to increase customer satisfaction, so that the restaurant can build more customer loyalty.

4.5 Analysis Factors Influencing Customer Loyalty at Papa Ron's Pizza Cikarang

This research made to know the influence of service quality (tangible, empathy, assurance, reliability, and responsiveness) towards customer loyalty in Papa Ron's Pizza Cikarang. In order to know the factors that can influence customer loyalty, firstly it required to know independent variable, which is consist of tangible (X1), empathy (X2), assurance (X3), reliability (X4), and responsiveness (X5). The influence of each variable towards customer loyalty as follow:

Table 4.15

Factors Influencing Customer Loyalty

Variable	B	Std. error	t	Sig. t
Tangible	0.181	0.034	5.320	0.000
Empathy	0.260	0.040	6.470	0.000
Assurance	0.199	0.039	5.151	0.000
Reliability	0.364	0.040	9.139	0.000
Responsiveness	0.260	0.043	5.998	0.000
Constant	-1.285	0.290		

Source: primary data

Based on the calculation with help by SPSS windows version 15.0 as show in the table above, it can make the equation as follow:

$$Y = -1.285 + 0.181X1 + 0.260X2 + 0.199X3 + 0.364X4 + 0.260X5$$

From the equation above, it can conclude that the result of the research as follows:

1. Coefficient Regression (β)

- a. Constant value = -1.285, means that if independent variables which consist of tangible (X1), empathy (X2), assurance (X3), reliability (X4), and assurance (X5) are constant, so the weight of customer loyalty are -1.285.
- b. Coefficient of regression of tangible (X1) are 0.181, means that in each 100% changed of customer loyalty (increasing), tangible factors will relatively influencing customer loyalty with value 18.1%. So if the restaurant improving their tangible factors, it will increase customer loyalty in the restaurant.
- c. Coefficient regression of empathy (X2) are 0.260, means that in each 100% changed of customer loyalty (increasing), empathy factors will relatively influencing customer loyalty with value 26%.
- d. Coefficient regression of assurance (X3) are 0.199, means that in each 100% changed of customer loyalty (increasing), assurance factors will relatively influencing customer loyalty with value 19.9%.
- e. Coefficient regression of reliability (X4) are 0.364, means that in each 100% changed of customer loyalty (increasing), reliability factors will relatively influencing customer loyalty with value 36.4%.
- f. Coefficient regression of responsiveness (X5) are 0.260, means that in each 100% changed of customer loyalty, responsiveness factors will relatively influencing customer loyalty with value 26%.

Based on the explanation above, could be concluded that from all of independent variable (tangible, empathy, assurance, reliability, and assurance) the dominant variable that has significant influence for customer loyalty are reliability with value 36.4%, then the other variable also influencing customer loyalty such as tangible (18.1%), empathy (26%), assurance (19.9%), and responsiveness (26%).

2. Coefficient Correlation and Determination

Table 4.16
Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	R Square Change	F Change	df1	df2
1	,791(a)	,626	,615	,37643

a. Predictors: (Constant), X5, X4, X3, X2, X1

b. Dependent Variable: Y

Source: primary data

- a. Coefficient correlation (R) is 0.791, means that the correlation between dependent and independent variable are 79.1%. So customer loyalty has strong correlation with tangible, empathy, assurance, reliability, and responsiveness, because the correlation value is above 0.5.
- b. Coefficient of determination (R^2) is 0.615, means that 61.5% changed in dependent variable (customer loyalty) it is influenced by independent variable (tangible, empathy, assurance, reliability, and responsiveness). Whereas, the other 38.5% are influenced by the other factors exclude variables in this research.

4.6 Hypothesis Testing

Hypothesis testing about the influence of independent variable which is consist of tangible (X1). Empathy (X2), assurance (X3), reliability (X4), and responsiveness (X5) towards customer loyalty (Y) can be used t-test and f-test, and for the result could be seen as follow:

Table 4.17

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39,832	5	7,966	56,220	,000(a)
	Residual	23,806	168	,142		
	Total	63,638	173			

a. Predictors: (Constant), X5, X4, X3, X2, X1

b. Dependent Variable: Y

Source: primary data

1. F test

From simultaneously testing, researcher got F_{count} with value 56.220, whereas F_{table} with significant level $\alpha=5\%$ are (2.27), it means that $F_{count} > F_{table}$ with probability 0.000. With that calculation, could be concluded that researcher accepted H_a and rejected H_0 , means that independent variable which consist of tangible (X1), empathy (X2), assurance (X3), reliability (X4), and responsiveness (X5) has significant influence towards customer loyalty in Papa Ron's Pizza Cikarang.

2. T test

T test used to measure the influence of independent variable toward dependent variable individually (partially). Based on Table 4.15, could be seen the value of t_{count} for each variables with significant level $\alpha=5\%$.

a. Analysis of tangible variable (Y1) towards customer loyalty (Y)

The result of SPSS calculation shows t_{count} of tangible are 5.320, and t_{table} are 1.974. It means that $t_{count} > t_{table}$ with significant t 0.000 and significant level $\alpha=5\%$. Hence, partially tangible variable has a significant influence towards customer loyalty, means that researcher accepted H_a and rejected H_0 .

b. Analysis of empathy variable (X2) towards customer loyalty (Y)

The result of SPSS calculation shows t_{count} of empathy are 6.470, and t_{table} are 1.974. It means that $t_{count} > t_{table}$ with significant t 0.000 and significant level $\alpha=5\%$. Hence, partially empathy variable has a significant influence towards customer loyalty, means that researcher accepted H_a and rejected H_0 .

c. Analysis of assurance variable (X3) towards customer loyalty (Y)

The result of SPSS calculation shows t_{count} of assurance are 5.151, and t_{table} are 1.974. It means that $t_{\text{count}} > t_{\text{table}}$ with significant t 0.000 and significant level $\alpha=5\%$. Hence, partially assurance variable has a significant influence towards customer loyalty, means that researcher accepted H_a and rejected H_0 .

d. Analysis of reliability variable (X4) towards customer loyalty (Y)

The result of SPSS calculation shows t_{count} of reliability are 9.139, and t_{table} are 1.974. It means that $t_{\text{count}} > t_{\text{table}}$ with significant t 0.000 and significant level $\alpha=5\%$. Hence, partially reliability variable has a significant influence towards customer loyalty, means that researcher accepted H_a and rejected H_0 .

e. Analysis of responsiveness (X5) towards customer loyalty (Y)

The result of SPSS calculation shows t_{count} of responsiveness are 5.998, and t_{table} are 1.974. It means that $t_{\text{count}} > t_{\text{table}}$ with significant t 0.000 and significant level $\alpha=5\%$. Hence, partially responsiveness influence has a significant variable towards customer loyalty, means that researcher accepted H_a and rejected H_0 .

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

1. The result from analysis of multiple regression, indicates that the constant value is -1.285, means if independent variable (tangible, empathy, assurance, reliability, and responsiveness) are constant, the weight of customer loyalty is -1.285. Then from coefficient of regression, indicates that in each 100% changed of customer loyalty, tangible variable influence 18.1% (0.181), empathy 26% (0.260), assurance 19.9% (0.199), reliability 36.4% (0.364), and responsiveness 26% (0.260).
2. T test or partially shows the significant influence of independent variable towards customer loyalty. It can be seen from the value of $T_{\text{count}} > T_{\text{table}}$. T_{count} of each variable, tangible are 5.320, empathy are 6.460, assurance are 5.151, reliability are 9.139, and responsiveness are 5.998, whereas T_{table} with significant level $\alpha=5\%$ are 1.974. Based on the result, the most influence variable that has significant influence towards customer loyalty is reliability, because the variable has highest coefficient regression (β) than the other variables. Then the weakest influence variables is assurance because the variable has lowest coefficient regression (β) than the others. Hence, H_a accepted and H_0 rejected.
3. F testing or simultaneously shows that all independent variables simultaneously have a significant influence towards customer loyalty. It can be seen from the value of $F_{\text{count}} = 56.220$ and $F_{\text{table}} = 2.27$, means that $F_{\text{count}} > F_{\text{table}}$ with significant level $\alpha=5\%$.

5.2 Recommendation

1. The result of this research shows that there is an influence of service quality (tangible, empathy, assurance, reliability, and responsiveness) towards customer loyalty, so it is important to increase the quality of service in Papa Ron's Pizza Cikarang in order to increase the loyalty of customer. In addition, there is a dominant variable that has significant influence such as reliability, and also there is a variable that has weakest influence towards customer loyalty such as assurance. Hence, highly expected a manager can pay more attention to keep the reliability and increasing assurance variable in the restaurant.
2. Managerial implications of this research are suggestions to management of Papa Ron's Cikarang to pay more attention to service quality because by increasing this factors will increase customer loyalty. The result of this research expected can be a consideration in taking a decision such as improving the quality of service not only by Papa Ron's Pizza Cikarang, but also by every restaurant industry and even by many companies.
3. This research also expected can be an input for further research that analyzed related variables. The research can be used same or different method, and also put other variables that influence customer loyalty.

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Appendices

Appendix 1
First Questionnaire (in English)
The Influence of Service Quality towards Customer
Loyalty at Papa Ron's Pizza Cikarang

Answer the question below with putting mark (X) in the answer which you think correct.

Characteristic of Respondent:

1. Gender
 - a. Male
 - b. Female
2. Age
 - a. < 20 years
 - b. 20-30 years
 - c. 31-40 years
 - d. 41-50 years
 - e. > 50 years
3. Marital Status
 - a. Married
 - b. Single
4. Educational Background
 - a. SMP
 - b. SMA
 - c. Diploma III
 - d. Bachelor Degree
 - e. Post Graduate
5. Income per Month
 - a. < Rp.1.000.000,-
 - b. Rp.1.000.001 - Rp.2.000.000,-

- c. Rp.2.000.001 – Rp.3.000.000,-
- d. Rp.3.000.001 – Rp.4.000.000,-
- e. > Rp.4.000.000,-

Use the following instructions to answer the questions below, and then give the mark (√) on the appropriate answer column.

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

Service Quality

No.	Description	1	2	3	4	5
	Tangible (Physical facilities are offered to customers, whether the equipment used or the physical representation of service).					
1	Physical facilities (building, cutlery, etc.) are clean and neatly.					
2	The appearances of the employees are attractive.					
3	The facilities provided are according to type of business, which is restaurant).					
	Empathy (willingness to care of employee, giving personal attention to customers, easy to engage and monitor the customer's need and want).					
4	The employee gives personal attention to the customers.					
6	The employees willing to listening the customer's problem.					
7	The customer can communicate with the employees easily.					
	Assurance (ability, skill, confidence, and safety from employees)					

8	The employees are friendly and respectful.					
9	The employees are skillful in working.					
10	The employees can provide security so you assured with the service.					
Reliability (consistency and reliability in working).						
11	The service provided is according with the promised.					
12	Sympathetic and reassuring response when customers get trouble.					
13	The service procedures are accurate and straightforward.					
Responsiveness (willingness to help in providing service customers quickly)						
14	The employees are willing to answer every question from customers.					
15	Quick service from the employees.					
16	The employees have ability to fulfill customer need.					
17	The employees willing to help the customers.					

Customer Loyalty

18	You often visited and bought from Papa Ron's Pizza Cikarang.					
19	You was gave a good recommendation to other about Papa Ron's Pizza Cikarang.					
20	You have commitment with Papa Ron's Pizza Cikarang.					

First Questionnaire (in Bahasa)

Pengaruh Kualitas Layanan Terhadap Kesetiaan Pelanggan Pada Papa Ron's Cikarang

Jawablah pertanyaan dibawah ini dengan membubuhkan tanda (X) pada jawaban yang sesuai dengan pilihan anda.

Karakteristik Responden

1. Jenis kelamin.
 - a. Laki-laki
 - b. Perempuan
2. Usia responden.
 - a. < 20 tahun
 - b. 20-30 tahun
 - c. 31-40 tahun
 - d. 41-50 tahun
 - e. > 50 tahun
3. Status perkawinan.
 - a. Kawin
 - b. Belum kawin
4. Pendidikan terakhir.
 - a. SMP
 - b. SMA
 - c. Diploma III
 - d. Sarjana
 - e. Pascasarjana
5. Pendapatan per bulan.
 - a. < Rp.1.000.000,-
 - b. Rp.1.000.001 - Rp.2.000.000,-
 - c. Rp.2.000.001 – Rp.3.000.000,-
 - d. Rp.3.000.001 – Rp.4.000.000,-
 - e. > Rp.4.000.000,-

Gunakan petunjuk pengisian berikut untuk menjawab pertanyaan dibawah ini, kemudian berikan tanda (√) pada kolom jawaban yang sesuai dengan pilihan ada.

1. = Sangat Tidak Setuju
2. = Tidak Setuju
3. = Netral
4. = Setuju
5. = Sangat Setuju

Kualitas Layanan

No.	Description	1	2	3	4	5
	Tangible (fasilitas fisik yang ditawarkan kepada pelanggan, baik peralatan yang digunakan, maupun representasi fisik dari jasa).					
1	Fasilitas fisik (bangunan, peralatan makan, dll) di restaurant terjaga kebersihannya dan tertata rapi.					
2	Penampilan karyawan restoran menarik.					
3	Fasilitas yang tersedia sesuai dengan jenis usahanya, yaitu restoran.					
	Empathy (kesediaan untuk peduli, memberikan perhatian pribadi kepada pelanggan, kemudahan untuk melakukan hubungan dan pemantauan terhadap keinginan pelanggan).					
4	Karyawan memberikan perhatian secara khusus kepada pelanggan.					
6	Karyawan bersedia mendengarkan setiap keluhan pelanggan .					
7	Pelanggan bisa dengan mudah berkomunikasi dengan karyawan.					
	Assurance (kemampuan, keterampilan, keramahan, kepercayaan, dan keamanan dari para karyawan).					
8	Karyawan restoran sopan dan ramah.					

9	Karyawan memiliki ketrampilan dalam berkerja.					
10	Karyawan dapat memberikan jaminan keamanan sehingga anda yakin terhadap pelayanannya.					
Reliability (konsistensi kerja, dan kehandalan dalam berkerja).						
11	Pelayanan yang diberikan sesuai dengan yang dijanjikan.					
12	Tanggapan simpatik dan menenangkan ketika pelanggan mendapat masalah.					
13	Prosedur pelayanan berjalan secara akurat dan tidak berbelit-belit.					
Responsiveness (kemauan untuk membantu pelanggan dalam memberikan pelayanan dengan cepat).						
14	Karyawan bersedia menjawab segala pertanyaan dari pelanggan.					
15	Pelayanan yang cepat dari karyawan.					
16	Karyawan memiliki kemampuan untuk memenuhi kebutuhan pelanggan.					
17	Karyawan memiliki kesediaan untuk membantu pelanggan.					

Kesetiaan Pelanggan

18	Pelanggan sering mengunjungi dan membeli dari Papa Ron's Pizza Cikarang.					
19	Pelanggan telah memberikan rekomendasi yang baik kepada orang lain mengenai Papa Ron's Pizza Cikarang.					
20	Pelanggan memiliki komitmen terhadap Papa Ron's Pizza Cikarang.					

Appendix 2
Second Questionnaire (in English)
The Influence of Service Quality towards Customer
Loyalty at Papa Ron's Pizza Cikarang

Answer the question below with putting mark (X) in the answer which you think correct.

Characteristic of Respondent:

1. Gender
 - a. Male
 - c. Female
2. Age
 - a. < 20 years
 - b. 20-30 years
 - c. 31-40 years
 - d. 41-50 years
 - e. > 50 years
3. Marital Status
 - a. Married
 - b. Single
4. Educational Background
 - a. SMP
 - b. SMA
 - c. Diploma III
 - d. Bachelor Degree
 - e. Post Graduate
5. Income per Month
 - a. < Rp.1.000.000,-
 - b. Rp.1.000.001 - Rp.2.000.000,-

- c. Rp.2.000.001 – Rp.3.000.000,-
 - d. Rp.3.000.001 – Rp.4.000.000,-
 - e. > Rp.4.000.000,-
6. This is the first time you visited Papa Ron’s Pizza Cikarang
- a. Yes
 - b. No

Use the following instructions to answer the questions below, and then give the mark (√) on the appropriate answer column.

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

Service Quality

No.	Description	1	2	3	4	5
	Tangible (Physical facilities are offered to customers, whether the equipment used or the physical representation of service).					
1	Physical facilities (building, cutlery, etc.) are clean and neatly.					
2	The appearances of the employees are attractive.					
3	The facilities provided are according to type of business, which is restaurant).					
	Empathy (willingness to care of employee, giving personal attention to customers, easy to engage and monitor the customer’s need and want).					
4	The employee gives personal attention to the customers.					
6	The employees willing to listening the customer’s problem.					

7	The customer can communicate with the employees easily.					
Assurance (ability, skill, confidence, and safety from employees)						
8	The employees are friendly and respectful.					
9	The employees are skillful in working.					
10	The employees can provide security so you assured with the service.					
Reliability (consistency and reliability in working).						
11	The service provided is according with the promised.					
12	Sympathetic and reassuring response when customers get trouble.					
13	The service procedures are accurate and straightforward.					
Responsiveness (willingness to help in providing service customers quickly)						
14	The employees are willing to answer every question from customers.					
15	Quick service from the employees.					
16	The employees have ability to fulfill customer need.					
17	The employees willing to help the customers.					

Customer Loyalty

18	You often visited and bought from Papa Ron's Pizza Cikarang.					
19	You was gave a good recommendation to other about Papa Ron's Pizza Cikarang.					
20	You have commitment with Papa Ron's Pizza Cikarang.					

Second Questionnaire (in Bahasa)

Pengaruh Kualitas Layanan Terhadap Kesetiaan Pelanggan Pada Papa Ron's Cikarang

Jawablah pertanyaan dibawah ini dengan membubuhkan tanda (X) pada jawaban yang sesuai dengan pilihan anda.

Karakteristik Responden

1. Jenis kelamin.
 - a. Laki-laki
 - b. Perempuan
2. Usia responden.
 - a. < 20 tahun
 - b. 20-30 tahun
 - c. 31-40 tahun
 - d. 41-50 tahun
 - e. > 50 tahun
3. Status perkawinan.
 - a. Kawin
 - b. Belum kawin
4. Pendidikan terakhir.
 - a. SMP
 - b. SMA
 - c. Diploma III
 - d. Sarjana
 - e. Pascasarjana
5. Pendapatan per bulan.
 - a. < Rp.1.000.000,-
 - b. Rp.1.000.001 - Rp.2.000.000,-
 - c. Rp.2.000.001 – Rp.3.000.000,-
 - d. Rp.3.000.001 – Rp.4.000.000,-
 - e. > Rp.4.000.000,-

6. Ini merupakan kunjungan anda yang pertama ke Papa Ron's Pizza Cikarang.
- Ya
 - Tidak

Gunakan petunjuk pengisian berikut untuk menjawab pertanyaan dibawah ini, kemudian berikan tanda (√) pada kolom jawaban yang sesuai dengan pilihan ada.

- 1 = Sangat Tidak Setuju
 2 = Tidak Setuju
 3 = Netral
 4 = Setuju
 5 = Sangat Setuju

Kualitas Layanan

No.	Description	1	2	3	4	5
	Tangible (fasilitas fisik yang ditawarkan kepada pelanggan, baik peralatan yang digunakan, maupun representasi fisik dari jasa).					
1	Fasilitas fisik (bangunan, peralatan makan, dll) di restaurant terjaga kebersihannya dan tertata rapi.					
2	Penampilan karyawan restoran menarik.					
3	Fasilitas yang tersedia sesuai dengan jenis usahanya, yaitu restoran.					
	Empathy (kesediaan untuk peduli, memberikan perhatian pribadi kepada pelanggan, kemudahan untuk melakukan hubungan dan pemantauan terhadap keinginan pelanggan).					
4	Karyawan memberikan perhatian secara khusus kepada pelanggan.					
6	Karyawan bersedia mendengarkan setiap keluhan pelanggan .					

7	Pelanggan bisa dengan mudah berkomunikasi dengan karyawan.					
	Assurance (kemampuan, keterampilan, keramahan, kepercayaan, dan keamanan dari para karyawan).					
8	Karyawan restoran sopan dan ramah.					
9	Karyawan memiliki ketrampilan dalam berkerja.					
10	Karyawan dapat memberikan jaminan keamanan sehingga anda yakin terhadap pelayanannya.					
	Reliability (konsistensi kerja, dan kehandalan dalam berkerja).					
11	Pelayanan yang diberikan sesuai dengan yang dijanjikan.					
12	Tanggapan simpatik dan menenangkan ketika pelanggan mendapat masalah.					
13	Prosedur pelayanan berjalan secara akurat dan tidak berbelit-belit.					
	Responsiveness (kemauan untuk membantu pelanggan dalam memberikan pelayanan dengan cepat).					
14	Karyawan bersedia menjawab segala pertanyaan dari pelanggan.					
15	Pelayanan yang cepat dari karyawan.					
16	Karyawan memiliki kemampuan untuk memenuhi kebutuhan pelanggan.					
17	Karyawan memiliki kesediaan untuk membantu pelanggan.					

Kesetiaan Pelanggan

18	Pelanggan sering mengunjungi dan membeli dari Papa Ron's Pizza Cikarang.					
19	Pelanggan telah memberikan rekomendasi yang baik kepada orang lain mengenai Papa Ron's Pizza Cikarang.					
20	Pelanggan memiliki komitmen terhadap Papa Ron's Pizza Cikarang.					

Appendix 3

Data questionnaire:

No.	Characteristic	Tangible	Empathy	Assurance	Reliability	Responsiveness	Loyalty
1	1 3 1 5 5	4 4 4	4 4 4	3 3 3	3 4 3	4 4 4 4	3 2 2
2	2 3 1 5 5	4 4 1	4 1 4	4 3 4	4 3 4	4 4 4 3	2 2 3
3	2 3 1 5 5	5 4 4	4 4 4	3 4 4	3 3 2	4 4 4 4	3 3 3
4	1 3 1 4 5	4 4 4	4 4 4	3 3 3	3 4 3	4 4 4 4	2 2 2
5	1 4 1 4 5	4 1 2	1 4 4	3 3 4	2 2 2	5 4 4 4	4 3 4
6	2 3 1 4 5	3 5 4	4 4 3	3 3 3	4 4 3	5 3 4 5	4 5 4
7	1 3 1 4 5	5 4 4	4 3 3	3 3 2	3 2 3	5 4 5 5	3 3 3
8	1 2 2 4 5	4 4 4	4 4 4	4 3 4	4 4 4	4 4 4 4	3 4 3
9	1 2 2 2 4	4 4 4	4 5 4	3 3 4	3 2 2	4 3 5 4	2 2 2
10	1 4 1 3 5	4 2 4	4 5 5	4 4 3	4 3 4	5 4 4 5	3 3 3
11	1 3 1 3 5	3 4 4	2 4 4	4 4 4	3 3 3	4 3 4 4	4 4 4
12	2 3 1 5 5	5 4 3	5 5 4	4 4 4	4 4 4	4 5 5 4	4 4 4
13	1 2 2 5 5	4 4 4	5 5 5	2 2 3	2 2 3	4 4 4 4	2 2 2
14	1 2 2 3 5	4 2 4	4 4 3	2 3 3	2 3 3	5 4 4 4	3 3 3
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102	2	3	1	4	5	5	4	5	4	4	4	3	4	4	4	4	5	3	4	4	4	4	4	5	5	4	5	5
103	1	4	1	4	5	5	4	4	5	4	4	3	2	3	3	4	4	4	5	4	4	4	5	4	4	5	4	4
104	1	3	1	4	5	4	4	4	3	3	3	4	3	3	3	4	4	4	4	4	3	2	2	2	2	2	2	2
105	1	4	1	4	5	3	4	5	3	3	3	4	4	3	2	2	3	5	4	4	5	3	2	2	2	2	2	2
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107	2	1	2	1	2	4	4	4	5	4	4	4	3	3	4	4	5	5	4	4	5	4	4	4	4	4	4	4
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111	2	3	1	4	5	4	4	3	3	2	3	3	3	3	3	4	4	4	4	4	5	3	3	3	3	3	3	3
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122	2	3	1	4	5	4	4	4	3	3	3	3	4	3	2	2	2	4	3	4	4	2	2	2	2	2	2	2
123	1	3	1	4	5	4	4	5	3	4	4	3	3	3	3	3	3	3	4	5	4	2	2	2	2	2	2	2
124	2	3	1	4	5	4	4	4	4	4	4	3	2	2	2	2	2	2	2	3	2	2	2	2	2	2	2	2
125	1	1	2	1	2	5	5	5	4	3	4	3	4	3	3	3	3	2	3	3	3	3	2	2	2	2	2	2

126	1	1	2	1	2	4	4	4	4	3	3	3	3	4	4	3	3	3	3	2	3	2	3	3	3
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133	1	3	1	4	5	5	4	5	4	4	4	3	4	4	3	3	4	3	4	4	4	4	2	2	2
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135	1	1	2	2	3	5	5	5	4	4	5	4	3	3	5	4	4	2	2	2	3	3	3	4	4
136	1	1	2	1	1	4	4	5	4	4	4	3	4	3	4	5	4	3	3	3	3	3	3	3	4
137	2	3	1	4	5	4	5	5	4	3	3	3	3	4	2	2	2	3	3	4	3	3	2	2	2
138	1	3	1	4	5	4	4	4	2	3	2	3	3	3	2	2	2	3	3	2	2	2	3	3	3
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142	1	3	1	4	5	4	4	4	4	4	4	4	3	3	2	2	2	4	4	4	3	3	2	3	3
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154	1	1	2	3	4	5	5	5	3	3	2	2	2	2	2	2	2	4	4	5	4	3	3	3	3
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157	1	3	1	4	5	4	4	5	4	4	4	4	4	3	3	3	3	4	4	3	4	3	3	3	3
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159	1	2	2	4	5	2	2	2	2	2	3	2	3	3	4	4	4	4	4	3	3	3	2	3	3
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161	1	3	1	4	5	4	3	4	2	3	3	3	2	3	2	2	2	2	2	2	2	3	1	3	3
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169	1	2	2	3	4	4	3	5	3	3	3	4	4	4	4	5	4	3	4	3	2	2	2	
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173	1	3	1	4	5	4	3	4	3	3	3	4	4	4	4	5	4	3	2	4	3	2	2	2
174	1	3	1	4	5	3	4	5	4	4	3	3	4	3	3	3	3	3	3	4	4	3	3	3

Appendix 4

Result of Reliability Testing:

Scale: Tangible

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,849	3

Scale: Empathy

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,809	3

Scale: Assurance

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,815	3

Scale: Reliability

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,860	3

Scale: Responsiveness

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,821	4

Scale: Loyalty

Case Processing Summary

		N	%
Cases	Valid	174	100,0
	Excluded(a)	0	,0
	Total	174	100,0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,920	3

Multiple Regression Model:

Descriptive Statistics

	Mean	Std. Deviation	N
Y	3,3966	,60651	174
X1	3,6034	,88546	174
X2	3,6609	,73317	174
X3	3,8276	,75582	174
X4	3,8333	,72990	174
X5	3,5345	,68549	174

Correlations

		Y	X1	X2	X3	X4	X5
Pearson Correlation	Y	1,000	,467	,382	,289	,437	,405
	X1	,467	1,000	,121	,191	,139	,189
	X2	,382	,121	1,000	,019	-,063	,202
	X3	,289	,191	,019	1,000	-,052	,023
	X4	,437	,139	-,063	-,052	1,000	-,017
	X5	,405	,189	,202	,023	-,017	1,000
Sig. (1-tailed)	Y	.	,000	,000	,000	,000	,000
	X1	,000	.	,056	,006	,034	,006
	X2	,000	,056	.	,401	,204	,004
	X3	,000	,006	,401	.	,246	,383
	X4	,000	,034	,204	,246	.	,410
	X5	,000	,006	,004	,383	,410	.
N	Y	174	174	174	174	174	174
	X1	174	174	174	174	174	174
	X2	174	174	174	174	174	174
	X3	174	174	174	174	174	174
	X4	174	174	174	174	174	174
	X5	174	174	174	174	174	174

Variables Entered/Removed(b)

Model	Variables Entered	Variables Removed	Method
1	X5, X4, X3, X2, X1(a)	.	Enter

a All requested variables entered.

b Dependent Variable: Y

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	R Square Change	F Change	df1	df2
1	,791(a)	,626	,615	,37643

a Predictors: (Constant), X5, X4, X3, X2, X1

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39,832	5	7,966	56,220	,000(a)
	Residual	23,806	168	,142		
	Total	63,638	173			

a Predictors: (Constant), X5, X4, X3, X2, X1

b Dependent Variable: Y

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1,285	,290		-4,424	,000
	X1	,181	,034	,265	5,320	,000
	X2	,260	,040	,314	6,470	,000
	X3	,199	,039	,248	5,151	,000
	X4	,364	,040	,439	9,139	,000
	X5	,260	,043	,293	5,998	,000

a Dependent Variable: Y