The Influence of Service Quality and Price on Customer Loyalty with Customer Satisfaction as an Intervening Variable: Study of Indomaret in Bandung Raya

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Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

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ABSTRACT

This study aims to examine the influence of service quality and price on customer loyalty, mediated by customer satisfaction in the Indomaret in Bandung Raya. Population in this study consisting of consumers who have shopped at Indomaret who is >17 years old and domicilied in Bandung Raya. The sample size for this research is 160 respondents, selected using convenience sampling. The data type utilized in this study is primary data collected through a survey strategy using online questionnaires, with a cross-sectional time horizon. The research utilises analytical techniques like validity and reliability assessments for instruments, tests for classical assumptions, hypothesis testing by multiple linear regression, and the Sobel test utilising an online Sobel calculator. The study is backed by the statistical software programme Social Science (SPSS) version 25. Among the nineteen research hypotheses put forward, empirical data support 9 in among them. The result

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show that customer satisfaction does not play a role as a mediated between the impact of service quality (tangibles, reliability, responsiveness, assurance and empathy) and price on customer loyalty. In addition, the results of this research are useful for management which eveluates and similar minimarket industries in designing relevant strategies for improve for the quality of these attributes.

Keywords: Tangibles; reliability; responsiveness; assurance; empathy; price; customer satisfaction; customer loyalty.

1. INTRODUCTION

The modern retail industry in Indonesia has become a strategic industrial sector because of its large contribution to the national economy and can expand employment opportunities for the community. This industrial sector is also experiencing quite rapid development in line with Indonesia's relatively stable economic growth, large population, increasing per capita income and the development of more modern retail infrastructure . Based on Association data (2023), the number of modern retail outlets registered and owned by members of this association reached 36,915 units in 2019. This figure is estimated to reach 94.4 percent of the entire population of modern retail stores in Indonesia. It is recorded that in 2022, most modern retail companies will experience significant growth in the number of outlets compared to the previous year [1]. Several factors that influence changes in consumer purchasing preferences are related to product availability, product price and product quality [2]. One of the big players in the Indonesian retail industry is Indomaret which is managed by PT. Indomarco Prismatama. According to indomaret.co.id (2023) at the end of 2019 the number of Indomaret outlets was 17,600 outlets and the target is that by the end of 2020 it will reach 18,600 outlets, which means the target is 1000 new outlets in 2020, and now Indomaret is growing very rapidly with the number of stores as of August 2023 there are 22,077. Of this amount, 30% are franchises, while 70% are company-owned. As reported by idxchannel.com (2023), Indomaret's sales turnover in 2022 will reach 100.37 trillion, this value is calculated to have grown by 10.78 percent compared to the company's realized revenue in 2021. Indomaret competes with other brands such as Alfamart, Alfamidi, Seven Eleven, Familymart, Ceria Mart, and others [3]. Even though retail conditions in Indonesia are improving, the Top Brand Index data for Indomaret retail is decreasing. The Top Brand Index Table 1.

Based on the results of the 2022 Top Brand Award, Indomaret is in second place in the minimarket category with an index value of 39.00%, while the results of the 2023 Top Brand Award, Indomaret is still in second place with an index value of 37.80%. Based on the table data, it can be seen that there was a decrease in the Indomaret index value of 1.2% (Top Brand Index, 2023). This phenomenon indicates a decline in Indomaret customer loyalty as a problem in this research. [4] Customer loyalty is purchasing behavior, while customer satisfaction is an attitude related to the possibility of customers making repeat purchases. Service quality has a positive effect on customer satisfaction [5]. As a result, customer satisfaction increases along with improvements in service quality. This research uses dimensions of service quality are as follows: tangibles, reliability, responsiveness, assurance and empathy. In this research, the samples used were consumers who had shopped at Indomaret and were >17 years old, and located in Bandung.

Table 1. Top Brand Indeks

No.	Brand	2020	2021	2022	2023
1.	ALFAMART	49,30%	47,50%	46,60%	45.60%
2.	INDOMARET	39,80%	38,70%	39,00%	37,80%
3.	FAMILYMART	-	-	9,20%	9,30%

2. LITERATURE REVIEW

2.1 Service Quality

Service quality is the presentation of a product or service according to the applicable standards where the product is produced and its delivery is at least the same as what consumers expect and want [6]. Fulfillment of promises in service will relate to and reflect the Company's interests. The appearance and capability of physical facilities and infrastructure must be reliable, the condition of the surrounding environment is concrete evidence of the services provided by the service provider. Service quality has five dimensions, namely tangibles, reliability, responsiveness, assurance and empathy [7]. The five main dimensions are: (i) tangibles describe physical facilities, equipment, and personnel appearance, (ii) reliability describes the ability of staff and the company to perform promised services reliably and accurately, (iii) responsiveness describes employees' willingness to help customers and provide prompt service, (iv) assurance, describes the knowledge and courtesy of employees and their ability to inspire trust and confidence, and (v) empathy describes the individual care and attention provided by the company to its customers [8].

2.2 Price

Price is a value (usually expressed in money) that must be sacrificed to be able to own, use or consume goods and services in order to obtain satisfaction [9]. Pricing is a marketing strategy that determines the occurrence of transactions between sellers and buyers. Transactions will only occur if the price set on a product is agreed upon by the seller and buyer. Therefore, companies that are able to set prices accurately will certainly obtain satisfactory marketing results. Price is the amount of money charged for a product or service that customers exchange for the benefits of owning or using product services [10]. Price measures are: affordability, suitability for benefits, and competitive prices [11].

2.3 Customer Satisfaction

Customer satisfaction is the result of their evaluation of product performance when what they consume meets or exceeds initial expectations, not only related to assessment but also related to the attitudes and emotional feelings that consumers give after consuming

[12]. Customer satisfaction is a person's feeling of happiness or disappointment that is obtained from comparing the perceived or actual performance of goods or services with expectations [13].If performance or experience falls short of expectations, customers are dissatisfied. Satisfaction is a person's emotional response to something they are facing which shows feelings of liking or disliking something [14]. There are 4 measures of customer satisfaction, namely: expectation, performance, comparison and confirmation or disconfirmation [15].

2.4 Customer Loyalty

Customer loyalty is a customer's commitment to a brand, shop or supplier, based on a very positive attitude and reflected in consistent purchases [16]. Customer loyalty is the intention to repurchase products and services as a company goal [17]. Loyalty is a positive attitude and consumer attachment that is based on feelings of liking, familiarity and pride in being a brand user and buying it consistently, and shown by commitment to continue using [18]. There are four types of customer loyalty measures, namely: (i) making regular repeat purchases, (ii) making purchases across product and service lines), (iii) providing references to other people. (refers others), and (iv) shows immunity to pull from competitors (demonstrates in immunity) [19].

2.5 Theoretical Frameworks and Hypotheses

Based on previous research, customer satisfaction is positively influenced by tangible [20]. Customer satisfaction is positively influenced by reliability [21]. Furthermore, customer satisfaction is positively influenced by responsiveness [22]. Customer satisfaction is positively influenced by assurance [23]. Then, customer satisfaction is positively influenced by empathy [24]. The statement above is used as a basis for determining the first hypothesis points a, b, c, d and e as follows:

H1a: Tangibles have a positive and significant effect on customer satisfaction.
H1b: Reliability has a positive and significant effect on customer satisfaction.
H1c: Responsiveness has a positive and significant effect on customer satisfaction.
H1d: Assurance has a positive and significant effect on customer satisfaction.
H1e: Empathy has a positive and significant effect on customer satisfaction.

Customer satisfaction is positively influenced by price [25]. The statement above is used as a basis for determining the second hypothesis as follows:

H2: Price has a positive and significant effect on customer satisfaction.

Customer loyalty is positively influenced by customer satisfaction [26]. The statement above is used as a basis for determining the third hypothesis as follows:

H3: Customer satisfaction has a positive and significant effect on customer loyalty.

Customer loyalty is positively influenced by tangibles [27]. Customer loyalty is positively influenced by reliability [28]. Customer loyalty is positively influenced by responsiveness [29]. Customer loyalty is positively influenced by assurance. Furthermore, customer loyalty is positively influenced by empathy [30]. The statement above is used as a basis for determining the hypothesis for the four points a, b, c, d and e as follows:

H4a: Tangibles have a positive and significant effect on customer loyalty.
H4b: Reliability has a positive and significant effect on customer loyalty.
H4c: Responsiveness has a positive and significant effect on customer loyalty.
H4d: Assurance has a positive and significant effect on customer loyalty.
H4e: Empathy has a positive and significant effect on customer loyalty.

Customer loyalty is also positively influenced by price [31]. The statement above is used as a basis for determining the fifth hypothesis as follows:

H5: Price has a positive and significant effect on customer loyalty.

Customer satisfaction plays a role in mediating tangibles on customer loyalty [32]. Customer satisfaction plays a role in mediating reliability on customer loyalty [33]. Customer satisfaction plays a role in mediating responsiveness towards customer loyalty [34]. Customer satisfaction plays a role in mediating assurance on customer loyalty [35]. Customer satisfaction plays a role in mediating empathy towards customer loyalty [36]. The above statement is used as a basis for determining the hypothesis for the six points a, b, c, d and e as follows:

H6a: Customer satisfaction plays a role in mediating the influence of tangibles on customer loyalty.
H6b: Customer satisfaction plays a role in mediating the effect of reliability on customer loyalty.
H6c: Customer satisfaction plays a role in mediating the influence of responsiveness on customer loyalty.
H6d: Customer satisfaction plays a role in mediating the effect of assurance on customer loyalty.
H6e: Customer satisfaction plays a role in mediating the influence of empathy on customer loyalty.

Customer satisfaction plays a role in mediating price on customer loyalty [37]. The statement above is used as a basis for determining the seventh hypothesis as follows:

H7: Customer satisfaction plays a role in mediating price on customer loyalty.

Based on the relationships between variables described in the theoretical framework above, this is a manifestation of the conceptual model shown in the image below.
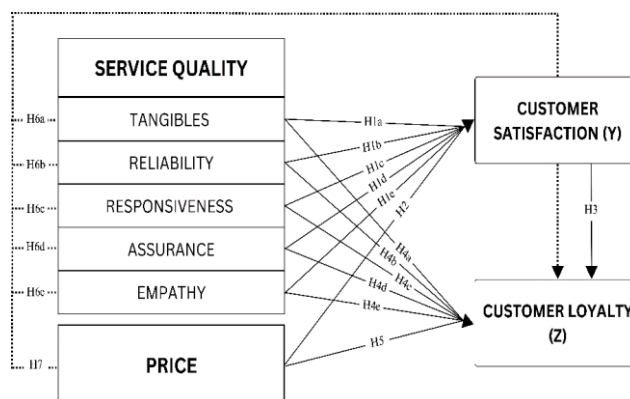

Fig. 1. Conceptual framework

The conceptual model describes the relationship between service quality parameters (tangibles, reliability, responsiveness, assurance and empathy), price and loyalty mediated by customer satisfaction at Indomaret, as seen in Figure 1.

3. METHODOLOGY

3.1 Research Objectives, Approaches, and Strategies

This research uses quantitative techniques using surveys as the main research tool. The process of operationalizing variables and assessing the eight variables in this research was carried out using a likert scale. Participants indicated their level of agreement or disagreement with the items using a five-point likert scale, providing a rating from 1 to 5. Questionnaires were used to collect primary data. Assessment of the validity of each statement on the questionnaire was carried out using the product moment correlation approach, meanwhile reliability was evaluated using the cronbach's alpha coefficient measurement technique. This research uses convenience sampling as a sampling strategy, which is a type of nonprobability sampling. Convenience sampling is the collection of information from members of the population who agree to provide that information [38]. That way, anyone who agrees to provide the required information with the researcher, either directly or indirectly, can be used as a sample in this research if the respondent is suitable as a data source. This research has a minimum sample size referring to the ideas put forward by [39] which is supported by [40] where the sample size recommended by these experts is at least 10 times the number of research variables. Meanwhile, in this research, researchers applied a sample size of 20 times the number of variables consisting of perceptions about tangibles, reliability, responsiveness, assurance, empathy, price, customer satisfaction, and customer loyalty.

3.2 Characteristics of the Research Population

This research will involve samples from the population of Indomaret customers who live in Greater Bandung with an age range of >17

years. The age requirement is set based on the assumption that they have sufficient cognitive capacity to be able to fill in the statements that remain on the questionnaire. Apart from that, this age is included in the productive group [41].

3.3 Data Processing and Analysis Methods

According to [42], after the data was obtained through a survey using a questionnaire, the next step was data processing which consisted of four stages, namely data coding, data entry, data editing and data transformation. Data processing to analyze multiple regression researchers used statistical program of science (SPSS) version 25. Meanwhile, to test the sobel test, researchers used an online sobel test calculator from [43].

4. RESULTS AND DISCUSSION

4.1 Respondent Profile

Based on the data presented in table 2, participants in this research are individuals who act as consumers. Age > 17 years and has also shopped at Indomaret 3 times in 2023, domiciled in Bandung Raya.

4.2 Validity and Reliability Test

This study examines eight variables, namely tangibles (X1a), reliability (X1b), responsiveness (X1c), assurance (X1d), empathy (X1e), price (X2), customer satisfaction (Z) and customer loyalty (Y). Each of these variables comprises several indicators with measurements specified in the questionnaire statements. Prior to evaluating the findings, it is essential to conduct a validity and reliability test for the measurements of these eight variables. Using spss software version 25, the calculation for the validity and reliability tests yielded the following results.

4.3 Classical Assumptions Test

This study will be subjected to testing employing two (2) variable techniques, particularly designed for the investigation of intervening factors. Consequently, the classical assumption test will be undertaken using these two (2) methodologies.

Table 2. Respondent profile

No	Information	Sum	(%)
Age			
1	17 n/d 21	71	42.2%
2	22 n/d 26	62	36.9%
3	27 n/d 31	20	11.9%
4	32 n/d 40	10	6%
5	>40	5	3%
	Total	**168**	**100%**
Occupation			
1	Student	22	13.2%
2	Collerger Student	86	51.4%
3	Government Employees	9	5.4%
4	Businessman	21	12%
5	Private Sector Employee	17	10.2%
6	Other	13	7.8%
	Total	**168**	**100%**
Income/Month			
1	<RP. 1.500.000	92	54.5%
2	RP. 1.500.000 –RP. 5.000.000	48	29.1%
3	>RP. 5.000.000	28	16.4%
	Total	**168**	**100%**
Location			
1	BANDUNG CITY	38	23%
2	BANDUNG DISTRICT	18	10,9%
3	WEST BANDUNG REGENCY	37	21.2%
4	CIMAHI CITY	75	44.9%
	Total	**168**	**100%**
Have You Shopped More Than 3 Times At Indomaret In 2023?			
1	YES	165	98.2%
2	NO	3	1.8%
	Total	**168**	**100%**

Table 3. Validity and reliability test

NO	Statement	R calculate	Note	Cronbach's alpha	Note
Tangibles					
1.	In my opinion, Indomaret has attractive physical facilities.	0.770	Valid		
2.	In my opinion, Indomaret has complete Equipment according to my expectations.	0.870	Valid	0.739	Reliable
3.	In my opinion, Indomaret employees have an attractive appearance.	0.789	Valid		
Reliability					
4.	In my opinion, Indomaret provides the service as promised.	0.803	Valid		
5.	In my opinion, Indomaret has employees who are reliable in solving customer problems.	0.903	Valid	0.785	Reliable
6.	In my opinion, Indomaret has employees who are accurate in providing service.	0.799	Valid		

NO	Statement	R calculate	Note	Cronbach's alpha	Note
Responsiveness					
7.	In my opinion, Indomaret has employees who always provide fast service to customers.	0.804	Valid		
8.	In my opinion, Indomaret has employees who are always willing to help customers	0.864	Valid	0.803	Reliable
9.	Indomaret has employees who are always ready to respond to customer requests.	0.876	Valid		
Assurance					
10.	In my opinion, Indomaret has employees who are polite to customers.	0.691	Valid		
11.	In my opinion, Indomaret employees have in- depth knowledge.	0.846	Valid	0.685	Reliable
12.	In my opinion, Indomaret employees have the ability to inspire customer confidence	0.808	Valid		
Empathy					
13.	In my opinion, Indomaret has employees who care about customers.	0.873	Valid	0.717	
14.	In my opinion, Indomaret has employees who care about customers.	0.893	Valid		Reliable
Price					
15.	In my opinion, Indomaret has affordable prices for all groups.	0.851	Valid		
16.	In my opinion, Indomaret has prices that match its benefits.	0.844	Valid	0.764	Reliable
17.	In my opinion, Indomaret has competitive prices when compared to competitors.	0.790	Valid		
18.	I am happy that the service provided by Indomaret is in line with expectations.	0.781	Valid		
19.	I feel happy that the performance provided by Indomaret is in line with expectations.	0.790	Valid		
20.	I feel happy with the service provided by Indomaret.	0.850	Valid	0.793	Reliable
21.	I feel happy that the decision in choosing to shop at Indomaret was right.	0.721	Valid		
Customer Loyalty					
22.	I am willing to repurchase at Indomaret regularly.	0.839	Valid		
23.	I am willing to buy other products at Indomaret.	0.839	Valid		
24.	I would recommend Indomaret to others.	0.784	Valid	0.842	Reliable

NO	Statement	R calculate	Note	Cronbach's alpha	Note
25.	I will remain loyal to shopping at Indomaret compared to other minimarkets.	0.841	Valid		

4.3.1 Test the classical assumption of intervening variables

4.3.1.1 Equation 1

Equation 1 uses a straightforward regression equation to look at how tangibles, reliability, responsiveness, assurance, empathy and price all play a role in customer satisfaction. These are the basic terms of the regression equation :

$$Y = a1 + b1\ X1a + b2\ X1b + b3\ X1c + b4\ X1d + b5\ X1e + b6\ X2$$

Note :

Y = Customer Satisfaction
a = Constant
b = Coefficient of Increase of Bound Variables If there is An Increase of One Unit of Free Variables.
X1a = Tangibles
X1b = Reliability
X1c = Responsiveness
X1d = Assurance
X1e = Empathy
X2 = Price

The findings of the classical assumption test, which includes tests for heteroskedasticity, multicollinearity, and normalcy, when applied to multiple regression analysis, are as follows :

4.3.1.1.1 Normality test

"With a significant value > (0.05), specifically a significance value of (0.200), it can be concluded from the analysis results presented in the table above that the data in equation 1 follows a normal distribution".

Table 4. Normality test equation 1

N		160
Normal Parameters a,b	Mean	.000
	Std. Deviation	1.47211300
Most Extreme Differences	Absolute	.054
	Positive	.040
	Negative	-.054
Test Statistic		.054
Asymp. Sig. (1-tailed)		.200 c,d

4.3.1.1.2 Heteroskedasticity test

The examination of the table indicates that there are no signs of heteroskedasticity in the data of equation 1, since the significant value > (0.05).

4.3.1.1.3 Multicholenierity test

The results from the table analysis indicate that the data in equation 1 is devoid of multicollinearity, given that the tolerance values for the variables are > (0.1) and the VIF value 285is < (10).

Table 5. Heteroskedasticity test equation 1

Coefficientsᵃ					
	Unstandardized Coefficients		**Standardized Coefficients**		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	1.611	.650		2.477	.014
tangibles	.030	.042	.065	.713	.477
reliability	-.065	.047	-.139	-1.395	.165
responsiveness	.007	.045	.014	.152	.879
assurance	-.018	.050	-.039	-.364	.716
empathy	-.040	.068	-.061	-.592	.555
price	.037	.042	.088	.886	.377

a. Dependent Variable: Abs

Table 6. Multicholenierity test equation 1

	Collinearity Statistic	
Variable	**Tolerance Value**	**VIF**
Tangibles	.757	1.322
Reliability	.638	1.567
Responsiveness	.733	1.364
Assurance	.550	1.817
Empathy	.600	1.667
Price	.640	1.562

4.3.1.2 Equation 2

The hypothesis is to evaluate the significant link between tangibles, reliability, responsiveness, assurance, empathy, price and customer satisfaction with customer loyalty. The basic regression equation is as follows :

$Z = a2 + b7 X1a + b8 X1b + b9 X1c + b10 X1b + b11 X1c + b12 X2 + b13Y$

Note :

Z = Customer Loyalty
Y = Customer Satisfaction
a = Constant
b = Coefficient of Increase of Bound Variables If there is An Increase of One Unit of Free Variables.
X1a = Tangibles
X1b = Reliability
X1c = Responsiveness
X1d = Assurance
X1e = Empathy
X2 = Price

The classical assumption test conducted on the multiple regression analysis includes assessments for normality, heteroskedasticity, and multicollinearity. The study's findings regarding the classical assumption test are as follows :

4.3.1.2.1 Normality test

The results of the study can be seen in the table above; a significance value of (0.200) > (0.05), indicating that the data in equation 2 follows a normal distribution.

4.3.1.2.2 Heteroskedasticity test

"The analysis results from the table lead to the conclusion that, in the data of equation 2, there are no indications of heteroskedasticity, as evidenced by the significant value being > (0.05)".

4.3.1.2.3 Multicholenierity test

According to the results from the table analysis, it can be asserted that the data in equation 2 is devoid of multicollinearity, as indicated by tolerance values for the variables being > (0.1) and the VIF value being < (10).

Table 7. Normality test equation 2

N		**160**
Normal Parameters a,b	Mean	.000
	Std. Deviation	1.80555244
Most Extreme Differences	Absolute	.038
	Positive	.030
	Negative	-.038
Test Statistic		.038
Asymp. Sig. (1-tailed)		.200 c,d

Test distribution is Normal, b. Calculated from data, c. Lilliefors Significance Correction. Source: SPSS Output Data Version 25 (2023)

Table 8. Heteroskedasticity test equation 2

Unstandardized Residual			
Spearman's rho	Variable	Correlation Coefficien	Sig
	Tangibles	.029	.357
	Reliability	.007	.466
	responsiveness	.006	.471
	Assurance	-.012	.442
	Empathy	.008	.461
	Price	-.044	.291
	Customersatisfaction	-.017	.414

a. Dependent Variable: Abs_RES2 Source: SPSS Output Data Version 25 (2023)

Table 9. Multicholenierity test equation 2

Collinearity Statistic		
Variable	Tolerance Value	VIF
Tangibles	.757	1.322
Reliability	.634	1.587
Responsiveness	.654	1.530
Assurance	.525	1.904
Empathy	.580	1.723
Price	.607	1.647
Customer Satisfaction	.504	1.985

a. Dependent Variable: customer loyalty

Table 10. Multiple regression test results equation 1

Coefficients[a]					
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
(Constant)	3.568	1.133		3.149	.002
X1a	-.001	.073	-.001	-.018	.986
X1b	-.086	.082	.076	1.058	.292
X1c	.340	.079	.289	4.316	.000
X1d	.233	.086	.209	2.703	.008
X1e	.269	.118	.169	2.277	.024
X2	.212	.073	.207	2.889	.004

a. Dependent Variable: Z

Table 11. Multiple regression test results equation 2

Coefficients[a]						
	Unstandardized Coefficients			Standardized Coefficients		
Model	B	Std. Error		Beta	t	Sig.
1	(Constant)	2.704	1.439		1.880	.062
	X1a	.162	.090	.125	1.793	.075
	X1b	-.141	.101	-.106	-1.395	.165
	X1c	.258	.103	.189	2.515	.013
	X1d	.154	.109	.118	1.414	.159
	X1e	.149	.148	.081	1.010	.314
	X2	.423	.093	.356	4.574	.000
	Z	.129	.099	.111	1.298	.196

a. Dependent Variable: Y

Table. 12 Result sobel test

Relationship between hypothesized variables	A	B	SA	SB	T calculate
Customer satisfaction tangibles customer loyalty	-0.001	0.129	0.073	0.099	-0.01369
Customer satisfaction reliability customer loyalty	0.086	0.129	0.082	0.099	0.81701
Customer satisfaction responsiveness customer loyalty	0.340	0.129	0.079	0.099	1.24712
Customer satisfaction assurance customer loyalty	0.233	0.129	0.086	0.099	1.17427
Customer satisfaction empathy customer loyalty	0.269	0.129	0.118	0.099	1.13126
Customer satisfaction price customer loyalty	0.212	0.129	0.073	0.099	1.18884

4.3.3 Results of multiple regression analysis with intervening variables

4.3.3.1 Multiple regression analysis equation 1's

"Drawing conclusions from the analysis results displayed in the graph, it can be concluded that consumer satisfaction (Z) is significantly influenced by the variables responsiveness (X1c), guarantee (X1d), empathy (X1e), and price considering the significance value is <0.05. As a result, H1c n/d H2 is accepted. The results of this research are in line with research conducted [44] which states that responsiveness, guarantee, empathy and price have a significant effect on customer satisfaction".

4.3.3.2 Multiple regression analysis equation 2'

"From the analysis results depicted in the graph, it can be concluded that customer loyalty (Y) is influenced positively and significantly by the variables responsiveness (X1c) and price (X2), which is indicated by their significance value. < (0.05). As a result, H4c and H5 are accepted. The findings of this research are in line with the research conducted. [Herawati at al, 2021] which states that responsiveness and price have a significant positive effect on customer loyalty. However, H4a, H4b, H4d, and H4e were ignored, this is proven by the results of the analysis on the graph, where the significance value for tangibles (X1a), reliability (X1b), assurance (X1d) and empathy (X1e) is > (0.05). which shows that this variable does not have a significant influence on the customer loyalty variable (Y). This research deviates from the results of research conducted by [45]".

4.3.3.3 Sobel test

"Based on the test findings of H6a n/d H7, it shows that customer satisfaction is not successful in mediating the influence of tangibles, reliability, responsiveness, assurance, empathy and price on customer loyalty. This is shown from the analysis carried out using the Sobel calculator, where the significance value is > (0.05). The results of this study are not in line with previous research".

5. CONCLUSION

The 19 (nineteen) hypotheses of the study are categorized into 6 (six) that are accepted and that are rejected. This division illustrates that the research hypotheses, grounded in relevant theory, receive complete empirical support. Additionally, the results underscore the endorsement of prior research regarding the examination of influences among variables. The 410 outcomes of this inquiry can be summarized as follows:

1. Tangibles has no positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.
2. Reliability has no positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.
3. Responsiveness has a positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.
4. Assurance has a positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.

5. Empathy has a positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.
6. Prive has a positive and significant effect on customer satisfaction at INDOMARET in Bandung Raya.
7. Customer satisfaction has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
8. Tangibles has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
9. Reliability has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
10. Responsiveness has a positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
11. Assurance has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
12. Empathy has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
13. Price has a positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
14. Tangibles has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
15. Reliability has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
16. Responsiveness has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
17. Assurance has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
18. Empathy has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.
19. Price has no positive and significant effect on customer loyalty at INDOMARET in Bandung Raya.

6. SUGGESTION

Referring to the findings of this research, several suggestions are presented that can provide benefits for Indomaret companies in Bandung Raya, the following is the explanation:

6.1 Scientific Implications

This research is different from previous researchers, namely the use of SERVQUAL dimensions including: tangibles, reliability, responsiveness, assurance and empathy. Several other things that differ from previous research are different objects, characteristics and loci. Where the object of this research is Indomaret with characteristics of respondents aged >17 years and a different locus, namely in Bandung Raya. Apart from that, the limitation of this research is that the research location is only in Bandung Raya. For future researchers, the researchers suggest using a different locus. It is hoped that future researchers will be able to add more other variables or dimensions not examined in this study and doing things that have an influence on customer loyalty.

6.2 Managerial Implications

The suggestion addressed to the Indomaret company is that it can use the results of this research as a reference for decision making regarding how the company increases customer loyalty. Based on the results of this research, customer satisfaction does not play a role in mediating the SERVQUAL and price dimensions of customer loyalty. Researchers recommend that managers continue to pay attention to the variables that influence customer loyalty, even though in this research there were many variables that had no effect on customer loyalty. The Indomaret company must pay attention to the responsiveness, assurance and empathy of employees towards customers, so that they feel satisfied with the services provided. The Indomaret company must pay attention to price levels compared to competitors, suitability of prices to the benefits obtained by customers and affordable prices for all groups so that customers are satisfied and loyal.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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