

ABSTRACT

This study aims to analyze the effect of integration of standardization and customization on functional quality, technical quality, customer satisfaction, and customer loyalty. The variables used in this study are standardization and customization as independent variables, then functional quality, technical quality, customer satisfaction, and customer loyalty, as the dependent variables. The samples in this study were 142 respondents from Indopriting Tembalang customers.

The method used is non-probability purposive sampling by distributing online questionnaires to respondents aimed specifically at customers who have purchased Indopriting Tembalang products at least twice. In this study a theoretical model was developed by proposing seven hypotheses to be tested using Structural Equation Modeling (SEM) analysis tools operated through AMOS 24.0. Based on the results of SEM data processing for a model that meets the following criteria for goodness of fit, the chi-square = 304,907; probability = 0.055; CMIN/DF = 1,142; CFI = 0.981; RMSEA = 0.032; TLI = 0.978; with two marginal criteria, namely GFI = 0.862 and AGFI = 0.832. With these results it can be said that this model is feasible to use. The results show that (1) customization has a greater effect on service quality when compared to standardization; (2) technical quality has a greater influence on customer satisfaction when compared to functional quality; and (3) customer satisfaction has a significant effect on customer loyalty.

Keywords: standardization, customization, functional quality, technical quality, customer satisfaction, and customer loyalty