

ABSTRACT

Instant coffee has become very popular in Indonesia since its emergence which was then driven by the many variants of instant coffee products offered by coffee entrepreneurs. The trend of coffee consumption has also grown rapidly in recent years marked by the increasing production of coffee products in Indonesia. Nescafe is an instant coffee brand which is under the production of PT. Nestle. Nescafe has released many product variants in terms of packaging, quality, quantity, taste and aroma. Not only Nescafe, the emergence of various brands of instant coffee products offered by other coffee entrepreneurs to consumers has made consumers have the opportunity to switch from one brand to another. The market competition for coffee drinks is getting tougher in line with the entry of various variants of the new coffee segment.

This study aims to analyze how much influence product quality, product variety, and customer satisfaction have on customer loyalty to consume Nescafe coffee products. The sample used in this study is the people of Semarang City who have used Nescafe in the past year. The sample used was 150 respondents. The sample collection method used purposive sampling. The data collection method used is the distribution of online questionnaires via google form. This research uses Structural Equation Modeling (SEM) analysis with AMOS 24.0 analysis tool.

The results of this study indicate that product quality and product variety have a positive and significant effect on customer satisfaction and customer loyalty. And customer satisfaction has a positive and significant effect on customer loyalty.

Keywords: *product quality, product variety, customer satisfaction, customer loyalty, Nescafe*