ABSTRACT

The background of this research is because of the tight competition in retail business, especially the grocery. There are so many minimarket was built in this few past years. Sari store's customers have been decreased in just past four months, from January to April 2013. Besides, Sari store has several new competitors like Indomaret, Alfamart, etc.

This research is conducted to Sari store. The aim is to know the effect of three variables, which are location (X1), price perception (X2), and service (X3) to the customer's loyalty (Y) when they buy something at Sari store. The questionnaire data are collected from 75 respondents. This is to know the comments from respondents about each variable. Validation test, reliability test, classic assumption test (Normality test, Multicolinearity test, heteroskedasticity test), multiple linear regression analysis, and goodness of fit test (F test, t test, determination coefficient) will be used to analyze.

From regression analysis, we know that location, price perception, and service quality variable have the positive effect for customer's loyalty at Sari store. The service quality variable is the most influential for customer's loyalty. All of the three variables have 54.1% of customer's loyalty, and the rest percentage is affected by the others variables.

Keywords: Customer's loyalty, Location, Price Perception, Service Quality.