ABSTRACT

This study was conducted based on the Indosat churn rate in 2009 through 2010with an average loss of 14% of customers and the number of the customer complaints on the period 2013 in Indosat compalints forum. A high level of customer loss can be caused by many things. One of them is decreasing the level of loyalty and than the customer move to a product competitors. So by looking at these problem, this reseach has the purpose how to improve the customer loyalty with support of customer satisfaction, product quality and service quality.

This research aims to analyze the extent of product quality, service quality and customer satisfaction influence on customer loyalty, does it have the effect of directly or indirectly, and the study was conducted on Indosat Customes in Ecnomic and Bisnis Faculty, Law Faculty, Engineering Faculty, and Sosial Science and Political Science Faculty of Diponegoro University Semarang.The number of samples used are 100 users Indosat in Undip. The analysis used the path analysis using two-stage linear regression.

Calculation serult show that model can explain the information contained in data of 60.63% can be explained by models and the rest described by another variable and error. Hipothesis testing result showed the service quality was directly influence on customer loyalty and product quality indirectly influence on customer satisfaction through customer satisfaction.

Keys : Product quality, service quality, customer satisfaction, customer loyalty