

ABSTRACT

The purpose of this research is to test the influences of product advantage and product image toward customer loyalty. The usage of these variables is able to solve the arising problem within StarOne.

The samples of this research consisted of a hundred customer's on StarOne. Regression Analysis was run by a Statistical Package Social Science (SPSS) software for data analysis. The result of the analysis showed that product advantage and product image contributes an positive influence, which is significant to customer loyalty.

The empirical resilt indicate that to increase customer loyalty of StarOne, management need to pay attention on factors like product advantage and product image, because that is the factors that effect high or low level of customer loyalty. From the measurement on product advantage variable, the result is 0,102 coefficient value which means product advantage had significance effect toward customer loyalty. The better product advantage given by SMT will strengthen customer loyalty of StarOne's customer. If the customer feel that they will get a satisfaction from certain product (because high quality product and durable) so that the customer will interested to use StarOne for a long time. While, the test on product image variable had 0,362 coefficient value that means product image had significant effect on customer loyalty. The better product image given by SMT to the customer needs, the bigger customer loyalty on the product.

Key Words : product advantage, product image, and customer loyalty