## **ABSTRACT**

In the current era of globalization, competition in the business sector is growing very rapidly. This development makes business competition increasingly fierce. Driven by the increasingly diverse needs and desires of customers. This makes the company must be able to retain its customers by building the loyalty. So that customers do not switch to competitors. This study aims to analyze the effect of Experiential Marketing and Service Quality on Customer Loyalty, with Customer Satisfaction as an intervening variable at Matahari Department Store Klaten.

The population used in this study are consumer of Matahari Department Store Klaten. The number of samples used in this study were 150 respondents. The method of data collection is done through a questionnaire. The data obtained were then processed and analyzed using the Structural Equation Modeling (SEM) analysis techniques with AMOS 24.0 analysis tool.

The results of this study indicate that Customer Satisfaction has a positive and significant effect on Customer Loyalty. Experiential Marketing has a positive and significant effect on Customer Loyalty. Experiential Marketing has a positive and significant effect on Customer Satisfaction. Service Quality has a positive and significant effect on Customer Loyalty. Service Quality has a positive and significant effect on Customer Satisfaction.

Keywords: Experiential Marketing, Service quality, Customer Satisfaction, Customer Loyalty