

**THE EFFECT OF SERVICE QUALITY AND CUSTOMER
SATISFACTION TOWARDS THE CUSTOMER LOYALTY
OF HONDA THROUGH AHASS AT SURABAYA**



By:

MICHAEL CAHYADI

3303012024

INTERNATIONAL BUSINESS MANAGEMENT
FACULTY OF BUSINESS
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA

2017

**The Effect of Service Quality and Customer Satisfaction
Towards the Customer Loyalty of Honda Through AHASS at
Surabaya**

THESIS

Addressed to

BUSINESS FACULTY

WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA

To Fulfill the Requirements

for the Economy Bachelor Degree

International Business Management Program

BY:

MICHAEL CAHYADI SOESILO

3303012024

INTERNATIONAL BUSINESS MANAGEMENT

FACULTY OF BUSINESS

WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA

2017

**AUTHENTICITY STATEMENT OF SCIENTIFIC PAPER
AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER**

For the sake of knowledge development, I as a student of Widya Mandala Catholic University Surabaya:

I, the undersigned below:

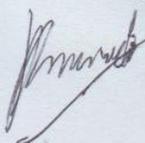
Name : Michael Cahyadi Soesilo
NRP : 3303012024
Title : The Effect of Service Quality and Customer Satisfaction Towards Customer Loyalty of Honda Through AHASS at Surabaya

Acknowledge that this final assignment report is authentically written by me. If it is proved that this paper is a plagiarism, I am ready to receive any sanctions from the Business Faculty of Widya Mandala Catholic University Surabaya. I also approve that this papers to be published/shown in the internet or other medias (The digital library of Widya Mandala Catholic University Surabaya) for academic importance to the extent of copyright law.

Thereby the authenticity statement and the publication approval that I made sincerely.

Surabaya, th, 2017

Stated by,



(Michael Cahyadi Soesilo)

APPROVAL PAGE

THESIS

**THE EFFECT OF SERVICE QUALITY AND CUSTOMER
SATISFACTION TOWARDS CUSTOMER LOYALTY OF
HONDA THROUGH AHASS AT SURABAYA**

**BY:
MICHAEL CAHYADI SOESILO
3303012024**

**Approved and Accepted
to be Submitted to the Panel Team**

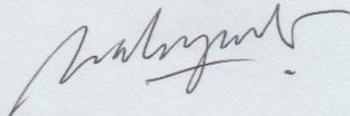
Advisor I,



Hendro Susanto S.E. , MM

Date:

AdvisorII,



Dr. Wahyudi Wibowo S.T., MM

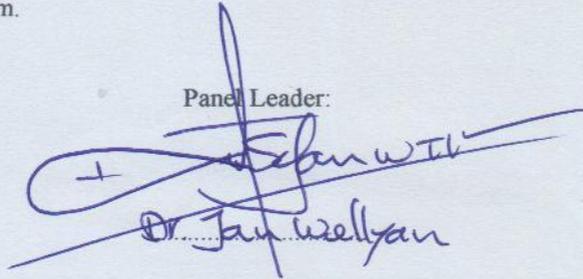
Date:

RATIFICATION PAGE

Thesis written by: Michael Cahyadi Soesilo NRP 3303012024

Has been examined on 7 July, 2017 and is accepted to pass by
Panel Team.

Panel Leader:


Dr. Jan Wellan

Confirmed by:

Dean,

Head of Program,



Dr. Lodovicus Lasdi, MM

NIK 321.96.03.70



Robertus Sigit Hariwibowo

Lukito, SE., M.Sc

NIK 311.11.0678

FOREWORDS

Praise and thanksgiving to the Lord Jesus Christ for all of their help, love, and guidance during the final task of this thesis. The final report of this paper is organized as a graduation requirement that must be met to obtain a degree in Management at the Faculty of Business Management Department of Widya Mandala Catholic in Surabaya. The final preparation of the final report will not work properly without the help, guidance, and support from various parties. Therefore, the authors would like to thank :

1. Mr Dr. Lodovicus Lasdi, M.M., as Dean of the Faculty of Business Widya Mandala Catholic University Surabaya.
2. Mrs. Elisabeth Supriharyanti, SE., M.Si, as Chairman of the Management Faculty of Business Widya Mandala Catholic University in Surabaya.
3. Mr. Hendro Susanto,S.E., M.M. as Advisor I, who have take the time, effort, and the mind and gives a lot of advice and counsel to guide authors in completing this thesis.
4. Mr Wahyudi Wibowo as Advisor II, who have take the time, effort, and the mind and gives a lot of advice and counsel to guide authors in completing this thesis.
5. My father, mother, sister, brother and others who participated that giving the spirit, either in the form of moral and material in completing this final task.

The author realizes that in this thesis are still many shortcomings , therefore criticism and constructive suggestions for improvements are expected this thesis. Hopefully this paper can provide benefits and add insight to readers.

Surabaya, 2017



(Michael Cahyadi Soesilo)

Table of Content

COVER.....	i
AUTHENTICITY STATEMENT OF SCIENTIFIC PAPER AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER	ii
APPROVAL PAGE.....	iii
RATIFICATION PAGE.....	iv
FOREWORDS	v
Table of Content	vii
List of Tables	x
List of Figures.....	xi
List of Appendix	xii
Abstract.....	xiii
Chapter 1 Introduction.....	1
1.1 Background	1
1.2 Problem Statement	5
1.3 Objectives of the research	6
1.4 Scope of the Research	6
1.4 Advantage of the Research.....	7
Chapter 2 Literature Review.....	8
2.1 Previous Research	8
2.2 Theoretical Basis	9
2.2.1 Service Quality.....	9
2.2.2 Customer Satisfaction	12
2.2.3 Customer Loyalty.....	13
2.3 Relation Among Variable	15

2.3.1 Service Quality and Customer Satisfaction.....	15
2.3.2 Service Quality and Customer Loyalty	16
2.3.3 Customer Satisfaction and Customer Loyalty	17
2.4 Hypothesis.....	19
2.5 Research Model	19
Chapter 3 Research Method.....	20
3.1 Research Design.....	20
3.2 Variable Identification	20
3.3 Operational Definition	20
3.4 Variable Measurement	22
3.5 Type and Source Data	23
3.6 Tools and Data Collection Method	23
3.7 Sampling Procedures.....	23
3.8 Analysis of Data.....	24
3.8.1 Normality Data Testing.....	24
3.8.2 Validity Data Testing	25
3.8.3 Reliability Test.....	25
3.8.4 Goodness of Fit	26
3.8.5 Hypothesis Testing.....	29
Chapter 4 Analysis Data	30
4.1 Research Data	30
4.1.1 Respondent Characteristic by Gender	30
4.1.1 Respondent Characteristic by Age	31
4.2 Descriptive Analysis	31
4.2.1 Service Quality Statistic.....	32
4.2.2 Customer Satisfaction Statistic	33

4.2.3 Customer Loyalty Statistic	34
4.3 Normality Data Test	35
4.4 Validity Data Test	37
4.5 Reliability Data Test	38
4.6 Goodness Fit Index	40
4.7 Structural Equation	26
4.8 Hypothesis Testing	42
4.9 Discussion	42
4.9.1 The Effect of Service Quality Towards Customer Satisfaction	42
4.9.2 The Effect of Service Quality Towards Customer Loyalty	43
4.9.3 The Effect of Customer Satisfaction Towards Customer Loyalty	44
Chapter 5 Conclusion and Suggestion	44
5.1 Conclusion	46
5.2 Suggestion.....	47
5.2.1 Theoretical Suggestion	47
5.2.2 Practical Suggestion	48
References	
Appendix	

LIST OF TABLES

Table 2.1 Comparison of previous research and current research	8
Table 3.1 Goodness Fit Index	28
Table 4.1 Respondent Characteristic by Gender.....	30
Table 4.2 Respondent Characteristic by Age.....	31
Table 4.3 Assesment of Variable.....	32
Table 4.4 Service Quality Statistic	32
Table 4.5 Customer Satisfaction Statistic	33
Table 4.6 Customer Loyalty Statistic	34
Table 4.7 Normality Data Test Univariate Table.....	35
Table 4.8 Normality Data Test Multivariate Table.....	36
Table 4.9 Result of Validity Data Test	36
Table 4.10 Service Quality Reliability Data Test	38
Table 4.11 Customer Satisfaction Reliability Data Test.....	38
Table 4.12 Customer Loyalty Reliability Data Test	39
Table 4.13 Goodness Fit Index Testing	40
Table 4.14 Hypothesis Testing	41

LIST OF FIGURES

Figure 1.1. Honda Total Sales in 2014	2
Figure 2.1. Research Model.....	19

LIST OF APPENDIX

- Appendix 1. Questionare
- Appendix 2. Result of Respondent
- Appendix 3. Characteristic of Respondent
- Appendix 4. Descriptive Statistics Variable Research
- Appendix 5. Normality Test
- Appendix 6. Validity Test
- Appendix 7. Reliability Test
- Appendix 8. Model Test Match
- Appendix 9. Hypotheses Test
- Appendix 10. Output Lisrel

ABSTRACT

Penelitian ini dibuat untuk menganalisa hubungan langsung dari model penelitian; service quality, customer satisfaction, mempengaruhi customer loyalty motor Honda melalui AHASS di Surabaya.

Populasi dari penelitian ini adalah pemilik motor Honda dan pengguna AHASS di Surabaya. Sampel dari penelitian ini terdiri dari 100 orang dengan karakteristik seperti usia minimal 17 tahun, tinggal di Surabaya, paling tidak pernah menggunakan AHASS 4 kali. Penelitian ini menggunakan Structural Equation Modeling (SEM) sebagai teknik penelitian data. SEM adalah teknik analisis multivariat yang umum dan sangat bermanfaat yang meliputi versi-versi khusus dalam jumlah metode analisis lainnya sebagai kasus-kasus khusus yang tidak dapat di selesaikan dengan penghitungan regresi.

Hasil penelitian dan diskusi yang di gunakan berdasarkan hypothesis yang telah di hitung dengan Structural Equation Modeling (SEM). Yang mana berarti jika semakin tinggi service quality dan customer satisfaction, meningkat pula customer loyalty dari motor Honda di Surabaya. Jadi dapat disimpulkan semakin baik service yang di berikan, customer akan mendapat pikiran positif dan membangun kepercayaan serta kesetiaan terhadap produk dan service.

Masukan untuk penelitian ini adalah sampel yang terlalu acak, sehingga susah untuk mendapat kan hasil maksimal dan banyak customer yang datang namun bukan pemilik asli motor (orang suruhan).

Keywords: Service Quality, and Customer Satisfaction, Customer Loyalty.

ABSTRACT

This study was conducted to examine the direct impacts of the factors of model; service quality, customer satisfaction, towards customer loyalty of Honda motor through AHASS in Surabaya.

The population of this study is the owner of Honda motor and user for AHASS in Surabaya. The sample for this study of 100 people with characteristics such as minimum ages is 18 years old, live in Surabaya, at least use AHASS services 4 times. This study used Structural Equation Modeling (SEM) as a data analysis technique. SEM is a statistical tool used to resolve simultaneous multilevel models that cannot be solved by a linear regression equation.

The results of the research and discussion that is used in accordance with the hypothesis that the purpose of the analysis performed using Structural Equation Modeling (SEM) can be deduced all the hypotheses proposed in this study received. It means that the higher the service quality the customer satisfaction and the customer loyalty of Honda motor in Surabaya also increase. So it can be said that the better the services customer will gain positive mind and build trust and loyalty towards the product and services.

Suggestions put forward as a result of this study is the respondent sample to random, it's hard to get good data and many customer come but not the exact owner of the product.

Keywords: Service Quality, and Customer Satisfaction, Customer Loyalty