

CHAPTER 5

CONCLUSION AND SUGGESTION

5.1. Conclusion

This research analyzes the influence of service quality, product quality, customer satisfaction, towards customer loyalty at Carl's Jr. in Surabaya. Based on the results of the research and discussion using Structural Equation Modelling (SEM) by Partial Least Square (PLS) software, it is concluded that:

1. Service quality positively and significantly influence the customer satisfaction. Thus, the first hypothesis which states that service quality has positive influence on customer satisfaction is supported. The researcher assumed that the most reason why service quality has significant and positive influence on customer satisfaction is the employees make an effort to understand what customer's needs. It cannot be rejected that relation between employee and customer is the most important thing. When customers comfort with the service especially the employee, they will be satisfied and feel happy to ask something from the employee instead of feel hesitated.
2. Product quality positively and significantly influence the customer satisfaction. Thus, the second hypothesis which states that product quality has positive influence on customer satisfaction is supported. The researcher assumed that product quality influence the customer satisfaction on Carl's Jr. because of

taste and variance of the product especially for the burgers. It makes the customers have good experience while consuming the product and reached their satisfaction.

3. Customer satisfaction positively and significantly influence the customer loyalty. Thus, the third hypothesis which states that customer satisfaction has positive influence on customer loyalty is supported. The researcher assumed that customer satisfaction has positive influence on customer loyalty in Carl's Jr. because there is weekly promotion and free flow drinks. May be the customer satisfied by their good promo such as buy 1 get 1 free and the free flow drink so they don't spent too much to get good quality product and finally become loyal to Carl's Jr. especially in Surabaya.
4. Service quality positively and significantly influence the customer loyalty through the customer satisfaction. Thus, the forth hypothesis which states that service quality has positive influence on customer loyalty through customer satisfaction is supported. Maybe the service quality positively influence the customer loyalty because of their good services such as self-service beverage, clean and neat, and of course they are friendly. The researcher assumed that once the customer satisfied, they will be loyal to that brand.

5. Product quality positively and significantly influence the customer loyalty through the customer satisfaction. Thus, the fifth hypothesis which states that product quality has positive influence on customer loyalty through customer satisfaction is supported. The researcher assumed that experience while consuming has high influence on customer loyalty. When the customer enjoy their food, they will be satisfied. Also supported by the free flow beverages that makes customer will stay longer on the Carl's Jr. to chit chat with their friend or family.

5.2. Limitations of the Research

The only limitation in this research is that the respondents who participate in this research must be people who already experience to come and eat on Carl's Jr. in Surabaya. So, the researcher need to directly go to Carl's Jr. or ask people if they have experience on it or not.

5.3. Suggestions

Based on the conclusion above, a few suggestion can be pointed out to be taken into consideration by Carl's Jr. and also other fast food restaurant.

5.3.1. Suggestions for Academic Use

For further study, this research is expected to be a reference for the researcher to know how the customersatisfaction and customer loyalty works. Also, give a clearer understanding to the researcher on how Carl's Jr. manage their service quality and product quality to get customer satisfaction and customer loyalty.

5.3.2. Suggestion for Practical Use

Based on the results of the data gathered in this research , it shows how positive and significant the influence of service quality, product quality, and customer satisfaction towards customer loyalty. This also proves that quality of service and product on Carl's Jr. Surabaya is good so customer can be satisfied and loyal to them. Thus, the customer feels comfort and glad to visit to Carl's Jr. This information also provides Carl's Jr. to manage their service quality and product quality to be improved especially on their service quality that have more influence to the customer satisfaction.

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