

THE INFLUENCE OF SERVICE QUALITY AND PRODUCT QUALITY ON CUSTOMER LOYALTY AT THE COSE THAI BIREUEN SHOP

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ABSTRACT

The Objective of this study is to find out and study how big it is Influence Quality Service And quality product to loyalty customer on COSE Thai Bireuen shop. Technique data collection using questionnaire. The population in this study is customers who make purchases at the COSE Thai Bireuen Shop which totals 860 people, the sample in this study uses the Slovin formula, in the results of the calculation of the Slovin formula the sample results are obtained a sample of 99.88 which is rounded to 100 respondents, Analysis of the data used in study This is quantitative with multiple linear regression. As for results from study This show Quality Service And quality product own influence positive and significant to Loyalty customer on COSE Thai Bireuen shop. Is known R value 2 is 0.72,1% p This show that the influence of the independent variable Give Influence to Quality Service and Quality product amounted to 72,1% whereas the rest amounting to 28,9% explained by other outside variables study this.

Keywords: Loyalty Customer, Quality Product, Quality Service.

INTRODUCTION

In the current era, business competition conditions are very tight, so companies are required to be competitive. This is done so that the business being run can develop and be successful according to the company's goals. If after a certain period of time a business experiences an increase in terms of capital, business scale, profit, type of business and management, then the business is said to be successful (Suarmawan, 2015). Whatever the type of business, one of the keys to success in business is having good relationships with consumers (Arnina P, 2016). Therefore, entrepreneurs must be able to create ideas that can create value for their business in order to attract consumers. Because the more consumers it can attract, the more opportunities the company has to build consumer loyalty. Every organization and company must have an economic policy that aims to improve the quality of asset management more efficiently and effectively in order to achieve the goal of generating profits while maintaining the company's development. The business world is becoming increasingly competitive, forcing companies to adapt so as not to go bankrupt and stay out of the competition. To stay ahead in this competition, companies must maintain and improve performance to maintain business continuity. Increasing company efficiency and effectiveness in a developing economic environment. Quality can be interpreted as an effort to satisfy consumer needs and desires, as well as fulfill requirements for balanced service in

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accordance with consumer expectations (Atmaja, 2018). Quality has an impact on customers, especially customer loyalty, if the company can show better service quality, then customers will be satisfied and loyal to the company's products and services (Insani & Madiawati, 2020). Service quality is closely related to consumer decisions. Creating satisfied consumers starts from creating good service quality and product quality. In this way the company can increase consumer satisfaction. In the end, consumers can create loyalty to the company. Product quality is a product or service presentation where the product is presented in accordance with what consumers want and expect in the service industry. The services delivered include convenience, speed and accuracy which are conveyed through attitude and character. Service is a form of strategy where services carried out professionally can provide great benefits for the company and will gain the trust of customers in the service company. Good quality is when a company is able to provide services according to consumer requests, listen to all forms of consumer complaints and provide positive reactions to consumer service complaints so that it does not give rise to bad or bad perceptions of the quality of the service provided. To achieve competitive advantage Service quality can be used as a tool and plays a very important role and determines if there is service competition in an effort to win the market. Loyalty is a customer's ongoing commitment to re-subscribe or repurchase a particular product or service consistently in the future, regardless of contextual impacts and marketing efforts that may cause changes in behavior (Hurriyati, 2015). Meanwhile, according to (Insani & Madiawati, 2020), service quality has an impact on customers, especially customer loyalty. If the company can show better service quality, then customers will be satisfied and loyal to the company's products and services. However, according to (Sukpa et al., 2015) apart from price and promotions, the factor that influences consumer loyalty is service quality. Every company must realize the importance of consumer loyalty to ensure the continuity of their business. A loyal customer is a very valuable asset for the company. Companies can save more costs in retaining existing customers rather than looking for new customers. Companies need to monitor and improve service quality and product quality to ensure customer loyalty. This means the greater the possibility of customers remaining loyal. Every company must be able to pay attention to the main factors that can influence consumer loyalty, such as customer quality levels and product quality behavior. From the experts' descriptions and presentations, it can be concluded that consumer loyalty is very important for companies to survive in an era of intense competition.

One service product that experiences intense competition in the millennial area is the beverage business. The reason why a businessman chooses beverage business products is because they attract more attention from buyers, especially in the millennial era which is increasingly advanced and sophisticated, buyers will prioritize standard desires rather than basic needs, and this also triggers the attraction of consumers who want to try and experience the sensation of new things. . Especially with the price being relatively economical. Therefore, the author is interested in conducting research at Kedai COSE Thai Bireuen. The COSE Thai shop is a millennial drink shop that is currently popular in various circles. This COSE Thai shop has a very strategic location, namely in the center of the fighting city of Bireuen, and has good access routes. COSE Thai also provides various drinks with fruit juice extract variants, as well as an abundance of cheese toppings, making this COSE Thai shop often frequented by various groups, and the economical prices make the queues at this COSE

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Thai shop busy with buyers. However, the problem at the COSE Thai Shop is regarding complaints from consumers, such as long waiting times for orders due to busy purchasing queues, making customers often complain about having to wait, as well as uncertain taste quality due to rushed service, making buyers feel less satisfied. This will certainly be a very influential consideration for buyers because it has an impact on service quality and product quality as well as customer loyalty, as well as triggering a big opportunity for new traders to attract customers from the Thai COSE Shop. This will also have a serious impact on the sustainability of the COSE Shop. Thai, which may be predicted to be less competitive, especially if it has to go out of business, from the description of the problem above, researchers are interested in conducting research with the title "The Influence of Service Quality and Product Quality on Customer Loyalty."

Problem Identification

Based on the background of the problems mentioned above, especially those related to the title of the research, the following problems can be identified: Complaints from consumers due to having to wait in long queues. Uncertain product quality, due to rushed service due to busy buyers. Consumers who do not make repeat purchases because the product quality is unsatisfactory.

Problem Formulation

Based on the description of the background of the problem, the problem that can be formulated is as follows: What is the right service solution to prevent complaints from consumers because they have to wait in long queues? What is the right solution to maintain product quality? What is the right solution to maintain customer loyalty?

Problem Limitations

To avoid expanding the subject matter and make it easier for the author to carry out this research, it is necessary to define the problem. Therefore, researchers conducted research in Bireuen by focusing on the Kota Juang sub-district and were limited to only examining the influence of service quality and product quality on customer loyalty at the COSE Thai Bireuen shop.

Research Objectives

Based on the description of the background of the problem, the problem that can be formulated is as follows: To find out and examine how much influence service quality and product quality have on customer loyalty at the COSE Thai Bireuen shop. To find out and study the right solution to prevent complaints from buyers due to long queues. To find out and study the right solution so that the COSE Thai shop is able to maintain customer loyalty

Benefits of Research

It is hoped that this research will provide several benefits, namely theoretically and practically.

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THEORETICALLY

It is hoped that the results of this research can develop science, especially theories that contribute to the development of science, especially human resource management. It is hoped that the results of this research can become a reference for future researchers.

METHODS

The approach used in this research is a quantitative approach. according to Sugiyono (2013) quantitative research methods are research methods in the form of numbers and analyzed using statistics. Meanwhile, according to Creswell (2016), explaining quantitative research requires a researcher to explain how one variable influences other variables. So, it can be concluded that quantitative research methods are a series of systematic ways to find out the relationships and causes and effects of a phenomenon using numbers. In accordance with these conclusions in this research, researchers used quantitative methods to determine "The Effect of Service Quality and Product Quality on Customer Loyalty".

Independent variable or independent variable

According to Sugiyono (2013), independent variables are variables that influence or can also be the cause of changes or emergence of the dependent variable. The independent variables in this research are service quality (X1) and product quality (X2).

Dependent variable or dependent variable

According to Sugiyono (2013) the dependent variable is the variable that is influenced by the existence of the independent variable. The dependent variable in this research is Customer Loyalty (Y).

Population and Sample

According to Sugiyono (2016) population is a generalized area consisting of objects and subjects that have certain quantities and characteristics that are determined by researchers to study and then draw conclusions. The sample is the majority of the characteristics possessed by the population (Sugiyono 2015). The sampling method was carried out by purposive sampling.

Data collection technique

The data collection technique in this research uses a questionnaire. A questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer (Sugiyono, 2017). Questionnaires are used to find out respondents' opinions. In this case, the respondent only answers by giving a certain mark to the alternative answers provided.

DISCUSSION

The Influence of Service Quality on Customer Loyalty

In this research, the service quality variable has a positive effect on customer loyalty at Kedai Cose Thai Bireuen. A positive estimate value explains that the better the quality of service will increase customer loyalty. This shows that the COSE Thai Bireuen Shop has

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good service quality. The results of the same research were also carried out by Kusuma Wijayanto (2015). The results of this research support the first hypothesis, where there is a positive and significant influence of service quality on customer loyalty. These results show that the better the quality of service, the customer loyalty will increase.

The Effect of Product Quality on Customer Loyalty

In this research, the product quality variable has a positive effect on customer loyalty at the COSE Thai Bireuen Store. A positive estimate value explains that the better the product quality, the more customer loyalty will increase. This shows that good customer loyalty to Kedai COSE Thai Bireuen is reflected in good product quality as well. The results of this research show that product quality directly has a significant effect on customer loyalty, Inka Janita Sembiring (2014). Based on the results of this research, it can be concluded that there is a positive relationship between product quality and customer loyalty.

The Influence of Service Quality and Product Quality on Customer Loyalty

The research results show that service quality and product quality have a simultaneous and significant effect on customer loyalty at COSE Thai Bireuen Store. Indicated by the value of $F_{count} > F_{table}$ ($19,693 > 3.09$), and significant value (sig) = $0.000 < 0.05$. The results of this research explain that the better the leadership coupled with the better the organizational climate, the more work discipline will also improve. The results of this research are in line with research conducted by Riswandhi Ismail (2013)., Service quality and product quality have a significant effect on loyalty to COSE Thai Bireueun Store.

RESULT

The research results show that service quality has a partial effect on product quality at the COSE Thai Bireuen Store. that the F_{count} value $> F_{table}$ ($19,693 > 3.09$), and the significant value (sig) = $0.000 < 0.05$. The research results show that product quality has a partial effect on customer loyalty at the COSE Thai Bireuen Store. This is indicated by the $F_{count} > F_{table}$ value at the 5% level ($19,693 > 3.09$), and the significant value (sig) = $0.000 < 0.05$. The research results show that the value of service quality and product quality have a simultaneous and significant effect on customer loyalty at the COSE Thai Bireuen Store. With a value of $F_{count} > F_{table}$ at the 5% level ($19,693 > 3.09$), and a significant value (sig) = $0.000 < 0.05$. The correlation coefficient (R) of 0.537 indicates that there is a fairly strong relationship between the independent variable and the dependent variable of 53.7%. The R^2 value is 0.721, indicating that the influence of the independent variables service quality and product quality has an influence on customer loyalty at COSE Thai Bireuen Store by 72.1% while the remaining 28.9% is explained by other variables outside this research.

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