SUMMARY

FABI YURISTRA PARAMA PUTRA. Customer Satisfaction and Loyalty Analysis Indonesia Wifi in PT Telkom West Java Regional Division Three. Supervised by LUKMAN MOHAMMAD BAGA and KIRBRANDOKO.

PT Telkom as the largest Indonesian telecommunication service provider launched the products wifi service (wifi.id) since 2012. The benefits of this product uses wireless technology, so that consumers no longer need a phone line. The previous product Telkomnet Instant and Speedy Telkom are still using cable technology (fixed wire) as a network connection. These products also support Indonesia connected programs initiated by the government with the aim of reducing the digital gap through the provision of access information and communication technologies.

This research aimed to analyze the impact of service quality on satisfaction and user loyalty Indonesia Wifi (wifi.id), due to good quality services will drive user satisfaction so that loyalty to a product that will finally provide more benefits to the company. The research model developed by the researchers consists of a three-dimensional quality of service (tangibles, reliability, responsiveness, assurance and empathy), user satisfaction and loyalty. With three hypotheses: (1) has a significant relationship between the dimensions of service quality and customer satisfaction; (2) has a significant relationship between the dimensions of service quality and customer loyalty; and (3) have a significant relationship between satisfaction and customer loyalty. The method of analysis using analytical tools Partial Least Square (PLS) of the 170 respondents (visitors). This research was conducted in the area of telecommunications services PT Telkom region of Central Bandung, West Java in January and April 2015.

The results of the analysis indicate, hypothesis testing shows that reliability, assurance and empathy variables have significant impact on customers satisfaction but do not significantly impact customers loyalty. It is interesting to note that customers satisfaction variable significantly affects customers loyalty. However closer examination shows that tangibles, reliability and responsiveness, variables do not significantly affect customers satisfaction and customers loyalty. In addition, R Square shows that 33.86 percent variation of loyalty variable can be explained by theserservice quality, while 66 percent loyalty variable variation is influenced by other factors that are not captured in the research model.

Keywords: Indonesia Wifi, loyalty, partial least square, satisfaction, SERVQUAL.