An Analysis of Cellular Phone Customer's Loyalty in Bogor

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The purpose of this study was to analyze the characteristics of cellular phone users, to identify factors that influence customer’s loyalty towards cellular phone, and to measure the loyalty level of cellular phone customers. The data were collected from 150 respondent living in Bogor. Cluster analysis, CHAID analysis, Structural Equation Modeling, and Customer Loyalty Index were used to analyze the data. The study of customer loyalty was done by constructing a hypothetical model consists of the dimensions of customer loyalty: customer value, customer satisfaction, and switching barrier. The result of the study showed that psychographically, cellular phone customers in Bogor were categorized into four segments: segment A who emphasized on the comfort of their group, segment B who were rational and practical, segment C who liked stability and avoid risks, and segment D who were active and self-confident. The result also showed that customer value was the only dimension that has significant contribution toward customer loyalty compare to customer satisfaction and switching barrier. Furthermore, the balance between price and brand image was the indicator, which has the largest contribution toward customer loyalty than other indicator. Segment A was found to be having the highest loyalty index while Nokia was the cellular phone brand also with the highest loyalty index.