# ABSTRACT

The rapid development of cellular technology is directly proportional to internet penetration which continues to grow yearly. This certainly results in the emergence of intense competition between cellular operator companies in Indonesia. The fierce competition between operators at this time forces all telecommunications companies to wage a price war to secure loyal customers and increase market share in the future. Telkomsel is the telecommunications company with the largest number of subscribers in Indonesia. Still, Telkomsel is also a cellular operator that ranks first as the cellular operator with the most customer complaints, according to a survey by the Indonesian consumer institute foundation in 2021.

Based on this phenomenon, this study aims to analyze "The Influence of Service Quality and Price on Customer Satisfaction and Loyalty in Telkomsel Cellular Operator Services." The aspects of service quality studied are reliability, assurance, tangible, empathy, responsiveness, network aspects, and convenience.

The method used in this study is a quantitative method with data collection techniques distributing questionnaires. The sampling technique used is non-probability sampling with a purposive sampling method. The sample to be studied is 400 respondents who use Telkomsel cellular operator services throughout Indonesia.

The study's results indicate a positive and significant influence of service quality (reliability, assurance, tangible, empathy, responsiveness, network aspects, convenience) and price on customer satisfaction (customer satisfaction). There is a positive and significant influence of customer satisfaction on customer loyalty and a positive and significant effect of service quality and price on customer loyalty through customer satisfaction.

This research is expected to be used as an evaluation for telecommunication companies in Indonesia, especially PT. Telkomsel as a future reference. Several assessments that need to be carried out by Telkomsel include evaluating the price standards that have been set in each region. This is expected to change the views of people who have been considered expensive so far, to be affordable, and understand customer needs so that the costs incurred by customers will be in line with the benefits obtained. Besides that, for further research development, it is expected to conduct research by adding other service quality indicators or variables that have not been included in this research model, such as value-added services variables and complaint handling variables.

**Kata kunci** : Service Quality, Price, Customer Satisfaction, Customer Loyalty