ABSTRACT

Along with the current era of digitalization, technological advances are developing rapidly in all countries in the world. Technological progress is growing rapidly, especially in the field of digital industry and this development is supported by the existence of the internet which can change lifestyles. The development of technology and the internet has made improvements in various fields such as the financial sector. Where currently many payments use digital wallets. DANA is a digital wallet engaged in the field of financial technology founded by an Indonesian startup that provides a non-cash payment infrastructure for both online and offline use with guaranteed security.

The problem behind this research is to identify the causes of the decline in customer loyalty that occurs due to the decreased service quality and customer satisfaction provided by the company for DANA application users.

This study aims to identify the effect of service quality and customer satisfaction on customer loyalty in the DANA application.

The method used in this study is a quantitative method. The population in this study is Indonesian people who are users of the DANA application. The sampling technique used in this study is a non-probability sampling technique with a total of 400 respondents. Data analysis techniques were carried out in this study using the Structural Equation Modeling (SEM) method with AMOS software.

The results of this study show that service quality has a significant and positive effect on DANA customer satisfaction, service quality has a significant and positive effect on DANA customer loyalty, service quality and customer satisfaction has a significant and positive effect on DANA customer loyalty. Based on the results of hypothesis testing, service quality has the greatest influence in this study so that it is expected that companies can maintain good service quality to maintain relationships with customers.

Keywords: Service Quality, Customer Satisfaction, and Customer Loyalty