ABSTARCT

In the era of globalization and increasingly fierce business competition, Logistics Service Quality (LSQ) plays an important role for logistics service providers in Indonesia. The decline in ranking by 17 positions, from 46th to 63rd in the Logistics Service Quality Index Performance Indonesia, and Pos Indonesia's ranking at 9th compared to other service providers, is one of the factors. Additionally, Pos Indonesia has undergone an audit by the Supreme Audit Agency, making it necessary to align these results with the perspective of service users. This study aims to investigate the effect of Logistics Service Quality on Customer Loyalty with Customer Satisfaction as an intervening variable at Logistics Service Providers (Case Study of POS INDONESIA). There are eleven hypotheses, including H1a – H1e, H2, and H3a – H3e.

The sample size was obtained from the F-test calculation on 7 variables using the G-power v.3 software, showing a minimum sample limit of 153. Through a quantitative approach using the Statistical Package for the Social Sciences (SPSS) and Smart Partial Least Squares (PLS) software, data were collected through questionnaires distributed to respondents who are users of POS INDONESIA logistics services, totaling 399 respondents.

The hypothesis test results show that eleven hypotheses were accepted, including that the LSQ construct has a significant and positive effect on Customer Satisfaction, Customer Satisfaction has a significant and positive effect on Customer Loyalty, and LSQ has a significant and positive effect on Customer Loyalty mediated through the Customer Satisfaction variable.

The practical implications of this research are expected to help Logistics Service Providers, including POS INDONESIA, in improving their service strategies to achieve better customer satisfaction and loyalty.