

ABSTRACT

This study investigates the relationship between customer loyalty and service quality in the context of PLN Icon Plus: Iconnet, emphasizing the critical role of service quality in fostering long-term customer loyalty and satisfaction, highlighting the vital role that service quality plays in promoting sustained customers' pleasure and loyalty. Understanding the factors that influence loyalty has grown crucial as companies deal with growing competition and customer expectations in a changing market. This study presents a quantitative examination of the correlation between these variables, providing valuable perspectives on how companies may improve their client retention and tactics of relationship-building. In order to provide a diverse sample that accurately reflects the demographic target, data for this study were gathered using a Google Form survey directed at 100 PLN Iconnet customers. Partial Least Squares Structural Equation Modeling (PLS-SEM) was used in the study to assess the significance and strength of the association between customer loyalty and service quality. PLS-SEM is able to handle complex models while maintaining statistical analysis's robustness, thus, it was chosen. Established tests such as Cronbach's alpha, composite reliability, and average variance extracted (AVE) were used to verify the measurement model's validity and reliability, guaranteeing the correctness of the results.

Customers' loyalty and service quality were found to be strongly, significantly and positively intercorrelated. In particular, traits including certainty, responsiveness, dependability, and empathy were found to be important factors in fostering clients' loyalty. The results show that consumers are more likely to repeat purchases, refer the services to others, and have a closer emotional bond with the brand when they believe that the quality of the service is good. This emphasizes how crucial it is to give service quality enhancements first priority as a calculated move to keep clients in the fiercely competitive telecommunication sector. Practically speaking, the survey provides insightful suggestions for companies looking to increase client loyalty and retention.

Companies are urged to invest in technology that facilitates reliable and effective service delivery, streamline procedures to increase service dependability, and concentrate on educating staffs to increase responsiveness and empathy. Regular feedback systems should also be put in place to track client satisfaction and pinpoint areas in need of development. In addition to enhancing service quality, these programs show a dedication to customer-centricity, which can increase brand loyalty.

This study is expected to add and to expand corpus of research on how customer loyalty is impacted by service quality, especially in the telecommunication sector. The study lays the groundwork for further investigation and real-world implementations in this area by highlighting the strategic importances of service excellence. The results demonstrate that providing outstanding customer service is not only essential for operations but is also a major factor in sustained company success.