

THE INFLUENCE OF SERVICE QUALITY AND CUSTOMER SATISFACTION THROUGH CUSTOMER LOYALTY (STUDY CASE LIONAIR AIRLINE, INDONESIA)

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Abstract. Lion Air is an airline that is not less competitive with other airlines. In addition to the low price, there are more Lion Air enthusiasts compared to other aircraft. Even Lion Air airline is classified as a middle class above airline. The purpose of conducting this research is to gather the information that will be created to analyze the effect of service quality and customer satisfaction to customer loyalty in Lion Air 2019. In this research, the method used was quantitative and Hair theory. The sample in this study was 260 respondents. This journal used a multiple regression test. The results showed that Service Quality and Customer Satisfaction had a positive influence on Customer Loyalty by 21.1% and the rest were influenced by other factors.

Keywords: Service Quality, Customer Satisfaction, and Customer Loyalty

Introduction

Developments in the aviation industry services in Indonesia from year to year continue to increase and attract the attention of the wider community to use airlines, and one of the airlines is the Lion Air (JT flight code) which convey information on operational achievements since 19 years (30 June 2000 - 30 June 2019). Lion Air has flown about 600 million (600,000,000) passengers since it began its inaugural flight from Soekarno-Hatta International Airport, Tangerang (CGK) to Supadio International Airport, Pontianak, West Kalimantan (PNK). Lion Air has fulfilled most of the people's dreams about visiting and seeing many destinations according to the tagline "We Make People Fly".

In understanding transportation needs, service quality is the basic foundation that can have an impact on consumers to choose various types of services that are developing at this time. In an era of rapid population development, people tend to choose fast and affordable transportation. People will ask for better services in accordance with their needs, so consumers are more careful in ensuring that everything that can be utilized according to their needs. Especially the problem of transportation that plays a role in providing service functions to facilitate humans in carrying out daily activities.

The success of a company is determined by how a company can satisfy its customers. In essence, customers need satisfaction from what they get. Customers will be satisfied if the goods or services they obtain are able to fulfil their expectations. If a company is able to provide satisfaction to its customers, then the company does not only have regular customers but customers who can provide recommendations to other customers. On the opposite, if the quality of service provided decreases, it will also greatly impact the shrinking level of passenger satisfaction, which in turn the passengers will move to other airlines.

One of the accurate strategies to survive from competitors is to maintain customer loyalty. The strategy of the Lion Air airline in maintaining customer loyalty is to add several facilities to provide the best service for customers. Lion Air airlines has added several facilities and services to compete with other airlines. Lion Air serves customers from various segments, such as conducting surveys that link customers to find out the needs and wants of customers. For example, food, magazines and other facilities. With the facilities, Lion Air provides convenience for customers. For the sake of convenience in booking tickets, Lion Air provides

ticket reservations online through the website and SMS booking. To prospective passengers who will order tickets online, non-cash payment is provided. Prospective passengers do not have to bother, just order and pay on the Lion Air website. With the existence of these strategies, the Lion Air airline is able to withstand the ever-changing circumstances and conditions and maintain customer confidence.

Literature Review

Service quality

The general definition of service quality is that service must be in accordance with customer expectations and meets their needs and requirements. Effort that meet desires and needs, desires of consumers and the accuracy of delivery consumer expectations can be explained as service quality (Tjiptono, 2007). We can know how the service quality by comparing perceptions between consumers from the service that costumer received and the services itself. If the service received is not as expected, then the quality of service is considered bad. The needs of non-verbal customers requires a deep understanding, functional dialogue with customers, and an understanding of the situation (Lanin & Hermanto, 2019). Furthermore, Parasuraman et al. (1985) measure service quality based on five dimensions: physical evidence, reliability, responsiveness, assurance, and empathy using a comparison scale between expectations and perceptions about performance (Sukmawati, 2015).

Gronroos (1984) explains that service quality as perceived judgment, which is obtained from an evaluation process in which consumer compare their expectations with the services customer think they have received. According to (Sum & Hui, 2009), service quality depends on two variables: expected service and perceived service, and that any previous experience with service can influence customer expectations, whereas perceived service is the result of customer perception of the service itself. Quality of service is determined by consumers themselves and occurs when an organization provides services that meet consumer needs (OJELEYE, 2016). The results of this study indicate that service quality adds a good value to the perceived value of customers if the quality of service they receive exceeds their expectations. The better the quality of service, the higher the value perceived by customers (Tami, 2004).

Customer satisfaction

Customer satisfaction can be explained as a customer reaction after using the services or assistance of a company. Customer satisfaction can lead to feelings of pleasure or disappointment from customer that appears after comparing the service they get and what they expect.

Oliver (1980) explains that customer satisfaction refers to having customer expectations for services and products. Customer will be satisfied when the performance matches or even exceeds customer expectations, otherwise the customer is not satisfied (Jos Akkermans, 2018). Customers that really satisfied with the service experience with a particular company will try to return to the company. Promotion can indirectly occur through the interaction of a customer who is very satisfied with the services obtained by another prospective customers through word of mouth; satisfied customer will influence people to use the service and when they aren't they will not influence the expectations of other potential customers to "spread the news" (Davis et al., 2007).

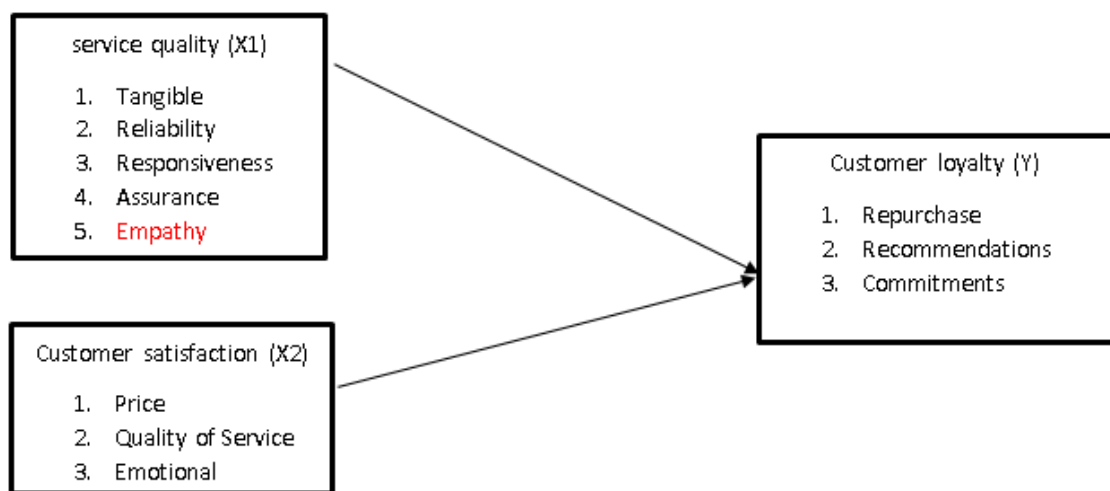
Customer loyalty

Customer loyalty can be explained as a customer's loyalty to product or services. Continuation of customer satisfaction in using the services as well as to using the same services again and again as a loyal customer is what we call customer loyalty. Loyalty is proof that someone is always a customer at a particular company. This can lead to repeated purchases of the same brand, or purchase of brand-sets (Oliver, 1999). The concept of loyalty consists of two

elements, namely aspects of attitude and behavior (Chanand Mansori, 2016; Liat et al., 2014; Oliver, 1999). On the other hand, Jacoby and Chestnut (1978) demonstrate that the concept of customer loyalty refers to customer attitudes toward the relationship between customers and sellers (Cheng et al., 2019). First, to buy back products or services from the same company; and the second, increasing the time of their purchases, thereby becoming supporters and defenders of the organization.

Customer loyalty had received great attention in the service marketing study, because in service organizations, the contribution of this study, creating many advantages such as sustainable competitive (El-Adly, 2019). This research has illustrated that the longer a company is able to maintain a good customer relationship, the greater the profits that will be generated by customers for the company.

Figure 1. Research Paradigm



RESEARCH METHODS

This journal used quantitative data collected from samples of Lion Air service users on different characteristics. Primary data sources were collected directly by answering questionnaires given to consumers who have used Lion Air airline services. In addition, researchers also used primary data and secondary data obtained from various sources such as journals with the material discussed. In the journal (Ida, 2010), according to Hair et al., (2010), that the number of samples as respondents must be adjusted to the number of question indicators used in the questionnaire by assuming $n \times 5$ to $n \times 10$ observations. In this study, the author used $n \times 10$, or 26 question items with measure 3 variables, and the number of respondents were 260. The research test method used was multiple linear regression.

RESULTS AND DISCUSSION

The results after the survey of Lion Air airline service users with age range, gender, occupation, and education are customers need quality service that can meet their desires. By majority, 260 Lion Air airline users are satisfied with the service of Lion Air airline services.

This research was conducted to ascertain the extent to which Lion Air airline maintains customer loyalty. This study analyzes the relationship between service quality and customer satisfaction to find out how is the customer loyalty in the Lion Air airline is. Factors that support customer loyalty based on property quality of service are activities carried out by experienced people, service from arrival to departure, service methods carried out in accordance

with the expectation of the customer, and do not look at social status. Then the factors that support the quality of service based on customer satisfaction are at low prices customers can use the Lion Air airline, provide a variety of delicious snacks, the attention and concern of the Lion Air airline have been very good in serving customers complaints. Based on the factors that influence customer loyalty, in the Lion Air airline is to increase its own attractiveness so that consumers can identify it in a brand.

Data results and explanations obtained from the questionnaire are explained below.

Table 1. Respondents Profile

Criteria	Sub Criteria	Total	Percentage (%)
Gender	Male	99	38%
	Female	161	62%
Age	<20 Years	38	15%
	21 – 30 Years	185	71%
	31 – 40 Years	17	7%
	>50 Years	20	8%
Profession	College Student	152	58%
	Entrepreneur	12	5%
	Government	62	24%
	Employees	34	13%
Last Education	Others		
	Senior High School	154	59%
	3-Year Diploma	33	13%
	S1 Bachelor Degree	68	26%
	S2 Bachelor Degree	5	2%

Source : Author

According on the table above, the conclusion that usually respondents who have used Lion Air airline services are (62%) women with the majority of the age range being from 21-30 years. Most respondents were (58%) college students and most of them (59%) had a high school education.

Validity Test

The data were processed using SPSS version 26.00. The results of the questionnaire were declared valid, if the questions on the questionnaire passed the validity test. Validity test is said to pass if $r_{\text{Count}} > r_{\text{Table}}$. The number of samples is 260 with a significant level of 5%. Then the r table in this study is 0.113. Overall the results of the variables are declared valid ~~or valid~~.

Table 2. Validity Test

Variable	Questions	Calculated-r	r-Table	Information
	1	0,465	0,113	VALID
	2	0,426	0,113	VALID
	3	0,553	0,113	VALID
	4	0,584	0,113	VALID
	5	0,544	0,113	VALID
	6	0,524	0,113	VALID
	7	0,489	0,113	VALID
	8	0,524	0,113	VALID
	9	0,686	0,113	VALID

Service quality (X1)	10	0,660	0,113	VALID
	11	0,692	0,113	VALID
	12	0,602	0,113	VALID
	13	0,474	0,113	VALID
	14	0,463	0,113	VALID
	15	0,334	0,113	VALID
	16	0,458	0,113	VALID
	17	0,568	0,113	VALID
	18	0,579	0,113	VALID
	19	0,577	0,113	VALID
	20	0,348	0,113	VALID
Customer Satisfaction (X2)	1	0,355	0,113	VALID
	2	0,344	0,113	VALID
	3	0,417	0,113	VALID
Customer Loyalty (Y)	1	0,193	0,113	VALID
	2	0,375	0,113	VALID
	3	0,349	0,113	VALID

Source : Author

Based on the data above, the author can draw the conclusion that all questions are said to be valid, because each Pearson correlation or $r_{Count} > r_{Table}$ with a significant 5%. So that all items can be used in research tools.

Reliability Test

Table 3. Reliability Test

Variabel	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Item
X1	0,717	0,716	4
X2	0,909	0,910	6
Y	0,914	0,915	5

Source : Author

The reliability test results showed that all question items in the questionnaire obtained from Cronbach's Alpha were greater than the alpha value ($X1 = 0.900 > 0.70$, $X2 = 0.565 > 0.70$, $Y = 0.481 > 0.70$). Therefore, it can be concluded that all the questionnaires in this study are reliable or consistent, they can be used as research instruments.

Simple Linear Regression

According to the research analysis, it is explained that the influence of Service Quality (X1) through Customer Loyalty (Y), as shown in table 4.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.561	.802		6.937	.000
	Service Quality	.074	.011	.392	6.853	.000

Source: SPSS 26.00

Regression Test

From Table 4, the result of the Service Quality regression obtained is 0.074. It can be concluded

that Service Quality has a positive influence on Customer Loyalty. So the regression test results obtained are $Y = 5.561 + 0.074 X_1$. Then the positive effect can be stated that an increase in Service Quality also increases Customer Loyalty.

t test

Hypothesis testing of the t test (partially), the value of tcount for Quality of Service is $6.853 > t$ table 1.969. So the results of the hypothesis can be concluded that Service Quality significantly influences Customer Loyalty.

Table 5 shown below is the result of the effect of customer satisfaction (X_2) on customer loyalty (Y).

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.427	.620		10.371	.000
	Customer Satisfaction	.418	.056	.423	7.493	.000

Source: SPSS 26.00

Regression test

Based on the data above, the result of the customer satisfaction regression coefficient obtained is 0.418. It can be concluded that Customer Satisfaction has a positive influence on Customer Loyalty. So the regression test results is $(Y = 6.427 + 0.418 X_2)$. Then the positive effect can be stated that an increase in Customer Satisfaction also increases Customer Loyalty.

t test

Hypothesis testing of the t test (partially), the t value for Customer Satisfaction is $7.493 > t$ Table 1.969. So the results of the hypothesis can be concluded that Customer Satisfaction significantly affects Customer Loyalty.

Multiple Linear Regression Test

Table 6 shown below is Multiple Linear Regression analysis of Service Quality (X_1) and Customer Satisfaction (X_2) variables towards Customer Loyalty (Y).

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.748	.798		5.948	.000
	Service Quality	.042	.013	.221	3.252	.001
	Customer Satisfaction	.291	.067	.294	4.316	.000

Source: SPSS 26.00

Based on the results obtained from the regression coefficient above, so the result formula of the Multiple Linear Regression Test is $Y = 4.748 + 0.042 X_1 + 0.291 X_2$. It can be concluded that Service Quality and Customer Satisfaction have a positive influence on Customer Loyalty. Then the positive effect can be stated that increasing Service Quality and Customer Satisfaction also

increases Customer Loyalty.
R²(determinant coefficient)

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.460 ^a	.211	.205	1.558	2.219

Source: SPSS 26.00

Based on table 7, the authors can find out the coefficient of determination (R²), which is equal to 0.211. These result indicate that the independent variable or Service Quality (X1) and Customer Satisfaction (X2) is 21.1% towards the dependent variable which is the Customer Loyalty (Y), and the 78.9% is explained by other variables not discussed in this study.

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ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	167.028	2	83.514	34.400	.000 ^b
	Residuals	623.937	257	2.428		
	Total	790.965	259			

Source: SPSS 26.00

Based on the table above (table 8), the value of Fcount is 34.400 and Ftable is 3.03. . With the provisions, if Fcount > Ftable then Ha is accepted and if Fcount < Ftable Ha is rejected, use a significant 5% (0.05). Then it can be concluded that the calculation results is Fcount > Ftable (34,400 > 3.03), so Ho is rejected and Ha is accepted, it means that there is a significant and simultaneous influence on the variable Service Quality (X1) and Customer Satisfaction (X2) on Customer Loyalty (Y).

CONCLUSION

From the study above, it can be concluded that there is a significant and simultaneous influence on the variable of Service Quality and Customer Satisfaction on Customer Loyalty. The supporting factors are the service that does not look at social status, services performed by experienced people, the attention and concern of the Lion Air airline, and has its own appeal according to the tagline "We Make People Fly", so consumers can identify it in a brand.

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