

THE EFFECT OF TIMELINESS AND PRICE ON CUSTOMER**LOYALTY WITH CUSTOMER SATISFACTION AS AN
INTERVENTION VARIABLE AT PT KAY OCEAN INDONESIA****Cecep Pahrudin^a, Mohamad Zaini^a, Nahdah Salsabila Iyumiwa^a, Hiroshi Fadillah^a**^aFaculty of Management and Business, Institut Transportasi dan Logistik Trisakti,
Jakarta, IndonesiaCorresponding author: zaini.moh@gmail.com

Abstract: The purpose of this study is to determine the effect of timeliness on customer loyalty with customer satisfaction as a mediation tool. The desire and value of service quality is largely determined by customer satisfaction. Unsatisfactory service will cause consumers to reduce or even lose money because consumers move to other services. This is a big challenge for companies in building corporate image. The independent variables used are timeliness and price, the dependent variables are customer loyalty and customer satisfaction as intervening variables. This type of research is explanatory research through a quantitative approach. This research uses the analysis tool (Structural Equation Modelling-Partial Least Square) SEM-PLS with the help of SMART PLS 4.0 software. The population in this study was 56 respondents. The conclusion in this study is that timeliness and price both affect customer loyalty with customer satisfaction as an intervening variable.

Keywords: *timeliness, price, customer loyalty, customer satisfaction, management.*

1. Introduction

In this era of increasingly fierce business competition, a company will win the competition if it can create value and provide satisfaction to consumers through the delivery of quality goods or services. The fulfillment of needs and desires as well as the value of service quality are largely determined by consumer satisfaction. Unsatisfactory service will cause consumers to reduce or even lose money because consumers move to other services. This is a big challenge for the company in building its corporate image and providing satisfactory service. Therefore, companies need to know consumer behavior in buying, using and evaluating services in order to meet consumer needs and satisfaction.

PT Kay Ocean Indonesia specializes in providing logistics services and modes of transportation for overseas and domestic export and import with a combination of land, sea and air transportation. The company was founded in 2014 which in its activities provides efficient door-to-door delivery services with competitive advantages.

In the world of logistics, delivery is important, and paying attention to on-time delivery is something every customer wants. Customers want their goods to arrive on time according to

the estimated time desired by the customer himself, not too fast and not too slow to avoid unexpected costs.

Vessel Name	Voyage	Arrival	Berthing	Departure	Closing	Terminal	Status	Open Stack
TB BRIGHT CITY	2306N	04/12/2023 20:00	04/12/2023 21:00	05/12/2023 23:00	04/12/2023 12:00	T1		
XIN BEI LUN	255N	04/12/2023 04:00	04/12/2023 05:00	04/12/2023 23:00	03/12/2023 23:00	T1		30/11/2023 01:00
LORRAINE	019N	04/12/2023 01:00	04/12/2023 02:00	04/12/2023 23:00	04/12/2023 17:00	T1		30/11/2023 01:00
BG SEJAHTERA 3032	3223B	03/12/2023 14:00	03/12/2023 15:00	04/12/2023 01:00	01/12/2023 13:00	T1		
MOL EXPLORER	071N	03/12/2023 06:00	03/12/2023 07:00	03/12/2023 23:00	02/12/2023 17:00	T1		29/11/2023 01:00

(Source : <https://www.jict.co.id/vessel-schedule>)

The table above is the schedule of ship departures and arrivals at the Jakarta International Container Terminal (JICT), and the table above explains that each ship schedule has closing and opening hours. There are several shipping companies and ports, if there is an early stacking then you have to pay. However, in connection with the closure, a fee must be paid which is determined by the shipping company and the port. Therefore, timeliness is essential to avoid unexpected costs.

In addition to timeliness, price is an important variable in meeting customer satisfaction because many freight forwarder companies provide low and varied prices with good service quality, thus allowing customers to move to other companies. The business world and entrepreneurs are free to determine the appropriate operator and mode of transportation for their freight forwarding needs --- not only considering the price factor, huga service users pay attention to other factors including; length of transit time, waiting time, mode reliability, door to door service, punctuality and safety of goods transported (Pahrudin & Wibowo, 2015).

This study aims to explore the factors that affect customer satisfaction and loyalty at PT Kay Ocean Indonesia. First, the study will examine the impact of timeliness in service on customer satisfaction levels. Timeliness in the delivery of products or services is very important because it can affect customer perception of the quality of company services. Second, this research will focus on the effect of product or service prices on customer satisfaction. A reasonable price and corresponding to the value of the product is a significant factor in a customer's purchasing decision, which in turn can affect their satisfaction with the company. Furthermore, this study will identify the relationship between customer satisfaction and customer loyalty.

Customers who are satisfied with a product or service tend to become loyal customers, resulting in customer loyalty that can have a positive impact on a company's business growth. The research will also examine the impact of timeliness and price on customer loyalty directly. In addition, this study will explore the effect of timeliness and price on customer loyalty through customer satisfaction as an intervening variable. By analyzing these factors holistically, this research is expected to provide in-depth insights to PT Kay Ocean Indonesia on how to increase customer satisfaction and loyalty, assist companies in making better strategic decisions to strengthen customer relationships and increase competitiveness in the market.

2. Literature review

Timeliness

Timeliness is the period of time the customer orders the product until the product arrives at the customer. The uncertainty of time until the delivery of goods is the promised time of service which can be one of the factors that reduce customer satisfaction (Eviani & Hidayat, 2021) (Ardila & Irawan, 2022). The process of shipping goods must be in accordance with a predetermined schedule, if it is not appropriate, it can be a trigger for customers to make complaints. By, therefore, the delivery of goods must be carried out on time.

Timeliness is the ability to respond back to consumer requests effectively, and on time. These include delivery times, the ability to respond to shipping requests in a timely manner, and the merchant's ability to ship goods and respond to return requests (Jiang et al., 2021) (GS & Istanti, 2022). Timeliness refers to the short waiting time for orders and returns and also, orders can be responded to within the promised timeframe (Pungpho & Wanarat, 2017). With this capability, it is hoped that it will create satisfaction for consumers. Many efforts must be made and the company must also determine the right new strategies for the company in order to be able to give satisfaction to its customers.

Kułyk also added that logistics customer service must adopt skills or capabilities to meet customer needs and expectations in terms of order time, timeliness, flexibility and timeliness of delivery, availability of products in stock, completeness of delivery and ordering convenience, as well as in terms of communication with company, staff competence, after-sales services, in addition to the three main elements of customer service (Kułyk et al., 2017). (Purwoko et al., 2022)

Price

According to (Kotler & Armstrong, 2016) (Attamimi et al., 2020) suggests that price is the amount of money spent on a product or service or the amount of value exchanged by customers to obtain benefits or ownership or use of a product or service.

There are several elements of the marketing mix, one of which is price. It is the most flexible that can change quickly, after product specifications and service characteristics (Dovaliene and Virvilaite, 2008) (Permana, 2020). The decision to make price changes will be most effective when synchronized with other marketing mix elements such as products, services, locations and promotions. According to Nagle and Müller (2017) product and service creation, sales and promotion are the beginning of business success and optimal pricing ensures revenue. Ostaseviciute and Sliburyte (2008) assert that the price of services is the only element of the marketing mix that brings revenue to the company.

Customer Loyalty

According to (Siregar & Hakim, 2017) (Samantha & Almalik, 2019), Customer loyalty is a customer's commitment to a brand, store, or supplier based on highly positive traits in long-term purchases. From this understanding, it can be interpreted that loyalty to the brand is obtained because of a combination of satisfaction and complaints. While customer satisfaction comes from how the company's performance to cause satisfaction by minimizing complaints so that long-term purchases are obtained by consumers.

Customer loyalty also was described as a strong continued commitment to repurchase or patronize a favored product/service consistently in the future, thereby creating repeated sameproducts/brands purchasing (Oliver, 1997) (Dam & Dam, 2021). Customer loyalty was explained as a combination of clients' favorable attitudes and rebuy behavior (Kim et al., 2004). Customer loyalty has been identified as the principal factor in a business firm's success (Yap et al., 2012). The importance of customer loyalty was closely linked to the business's continued survival and the influence of future growth (Kim et al., 2004)

Loyalty is a combination of intellectual and emotional processes between customers and companies.

As a result, loyalty cannot be forced, although loyalty can be measured and managed (Rangkuti, 2003: 3). Customer loyalty can be shown in the form of re-purchases of a product or service offered by the company, the more customers who make repeat purchases will increase the company's profits Maintaining customer loyalty is not an easy job for producers to continue to maintain, one of the keys to be able to continue to maintain a loyal attitude from customers in order to remain competitive is that the company must be able to provide customer satisfaction on an ongoing basis. (Riska Arisandi, 2018). (Widiyanto et al., 2021)

Customer Satisfaction

According to (Kotler, 2014) (Priambodo et al., 2021)customer satisfaction is the perceived level at which a person expresses results that compare the performance of a product or service received and expected. Satisfaction is a function of perceptions or impressions of performance and expectations. If the performance is lower than expected, the customer is not satisfied. If the performance meets expectations then the customer is satisfied, if the

performance exceeds expectations then the customer is very satisfied or satisfied.

Supranto (2011) (Christono, 2022) Customer satisfaction is the difference between expectations and perceived performance. So, the performance of an item is at least the same as expected. Customer satisfaction according to Oliver quoted by Tjiptono and Diana (2015), the feeling of pleasure or disappointment that someone gets from comparing between the performance or perceived product results and expectations. Thus customers are highly dependent on the performance of products and services.

According to Kotler & Keller (2009), satisfaction is a person's feeling of pleasure or disappointment that arises after comparing between perceptions / impressions of the performance or results of a product and expectations. (Indriyati, 2021)

The satisfaction consumer is something evaluation the emotional consumer after the consumer use product, where hope and needs of consumers who use are fulfilled. (Nurpiyanti et al., 2019) (Rahma et al., 2022)

Customer satisfaction is affected by price. If the pricing policy can be adjusted to the expectations and demand for food, there will be a higher impact on customer satisfaction.

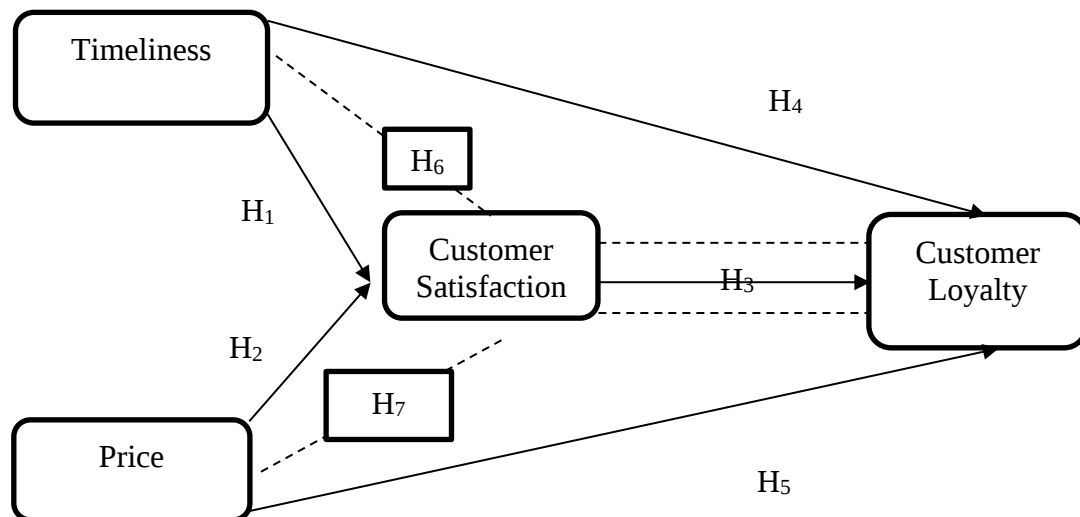


Figure.1. Research Paradigm

Hipotesis

1. H1: It is suspected that there is an influence between timeliness and customer satisfaction
2. H2: It is suspected that there is an influence between price and customer satisfaction
3. H3: It is suspected that there is an influence between customer satisfaction and customer loyalty
4. H4: It is suspected that there is an influence between timeliness and customer loyalty

5. H5: It is suspected that there is an influence between price and customer loyalty
6. H6: It is suspected that there is an influence between timeliness and customer loyalty through customer satisfaction as an intervening variable
7. H7: It is suspected that there is an influence between price and customer loyalty through customer satisfaction as an intervening variable.

3. Research Method

Research Design

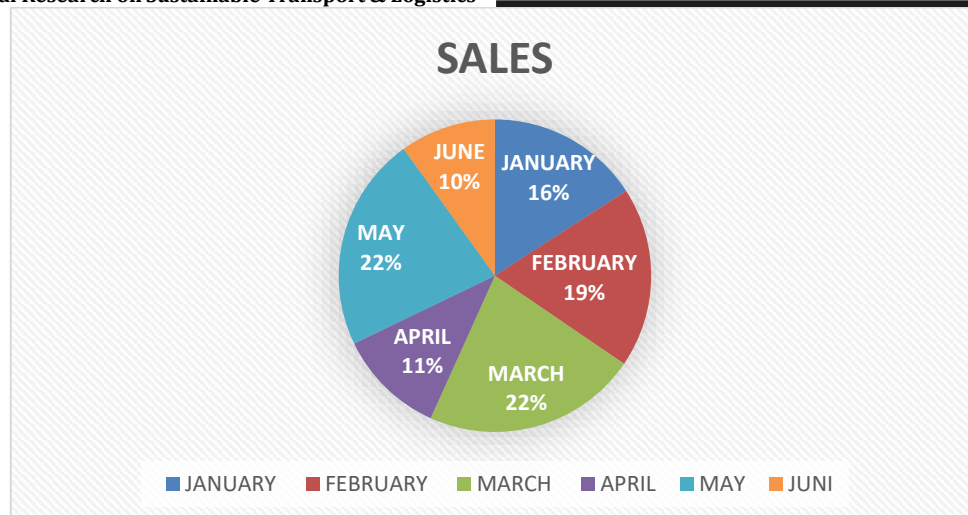
This study uses hypothesis testing to determine the effect between Timeliness and price on customer loyalty through customer satisfaction as an intervening variable. Other variables are timeliness and price as independent variables, and customer loyalty as dependent variables.

The unit of analysis used is individuals (users) who perform services of PT. Kay Ocean Indonesia because this study aims to measure and identify respondents related to the mediating role of customer satisfaction in the relationship of timeliness and price to customer loyalty. This study is a Cross Sectional study because the distribution of questionnaires is carried out by taking many samples in the same time period and randomly

Population and Sample

According to Sugiyono (2019) in the journal (Murtadho, 2021) Population is a generalization of areas consisting of objects / subjects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions. The population in this study is customers of PT. Kay Ocean Indonesia

Based on information obtained by the author from an unstructured interview with one of the companies, it is stated that the average number per day of new customers of PT Kay Ocean Indonesia is 4 (four) people. This, the population in this study that the author uses as the object of research is consumers who use the services of PT Kay Ocean Indonesia from January to June as many as 56 service users.



In the diagram above there are 252 sales with a total of 56 customers, of which 252 sales are from the results of repurchasing products or services for the period January to June 2023.

According to Sugiyono (2019) in the journal (Murtadho, 2021) Samples are part of the number and characteristics possessed by the population. If the population is large, and it is not possible for the researcher to study everything in the population, for example due to limited funds, energy and time, then the researcher can use samples taken from that population. Therefore, samples taken from the population must be truly representative or representative.

In this study the population and saturated samples taken were all customers of PT. Kay Ocean Indonesia within a period of 6 months with a population of 56 customers.

According to Sugiyono (2019) in the journal (Murtadho, 2021) Saturated Sampling is a sample selection technique if all members of the population are sampled. The sampling technique in this study used the Saturated Sampling Technique, where all populations in this study were sampled.

Data Source

a. Primary Data

According to Arikunto (2013) (Ummidlatu Salamah. Fashi Hatul Lisaniyah, 2022) Primary data is data in the form of verbal or verbally spoken words, movements or behaviors performed by objects that can be trusted, in this case the research subject (informant) regarding the variables under study. Primary data in the study were obtained from distributing questionnaires given to respondents.

b. Secondary Data

According to Sugiyono (2018) (Ummidlatu Salamah. Fashi Hatul Lisaniyah, 2022) stated that secondary data is a data source that does not directly provide data to data collection. Secondary data in this study were obtained from research journals, the internet, and others.

Data Analysis Technique

In statistical analysis of data using the PLS SEM method. The following is the PLS method analysis technique:

Outer Model Analysis

According (Hussein, 2015) outer model analysis is carried out to ensure that the measurement used is suitable for measurement (valid and reliable). There are several calculations in this analysis:

1. Convergent validity is the value of loading factors on latent variables with indicators. The expected value > 0.7 .
2. Discriminant validity is the value of crossloading factors that are useful whether the construct has adequate discriminants. You do this by comparing the value of the intended construct must be greater with the value of other constructs.
3. Composite reliability is a measurement if the reliability value > 0.7 , then the construct value has a high reliability value.
4. Average Variance Extracted (AVE) is the average variance of at least 0.5.
5. Cronbach alpha is a calculation to prove the result of composite reliability where the minimum magnitude is 0.6.

Inner Outer Analysis

In this model analysis is to examine the relationship between latent constructions. There are several calculations in this analysis:

R Square is the coefficient of determination on the endogenous construct. According to Chin (1998) (Sarwono & Narimawati, 2015) explained "the criterion of limiting the value of R square is in three classifications, namely 0.67 as substantial; 0.33 as moderate and 0.19 as weak".

Hypothesis Testing

In his book (Hussein, 2015) hypothesis testing can be seen from the value of t-statistics and the value of probability. For hypothesis testing, using statistical values, for alpha 5% the t-statistical value used is 1.96. So that the criterion for acceptance or rejection of the hypothesis is H_a accepted or H_o rejected if the t-statistic > 1.96 . To reject or accept a hypothesis using probability then H_a is accepted if the p value < 0.05 .

4. Results and discussion

4.1 Model Evaluation

a) Outer Model Testing

In this study was conducted by looking at the construction results of the outer model and inner model to find out the results that can be seen from the PLS Algorithm using SmartPLS 4 software.

b) Construct Validity Test

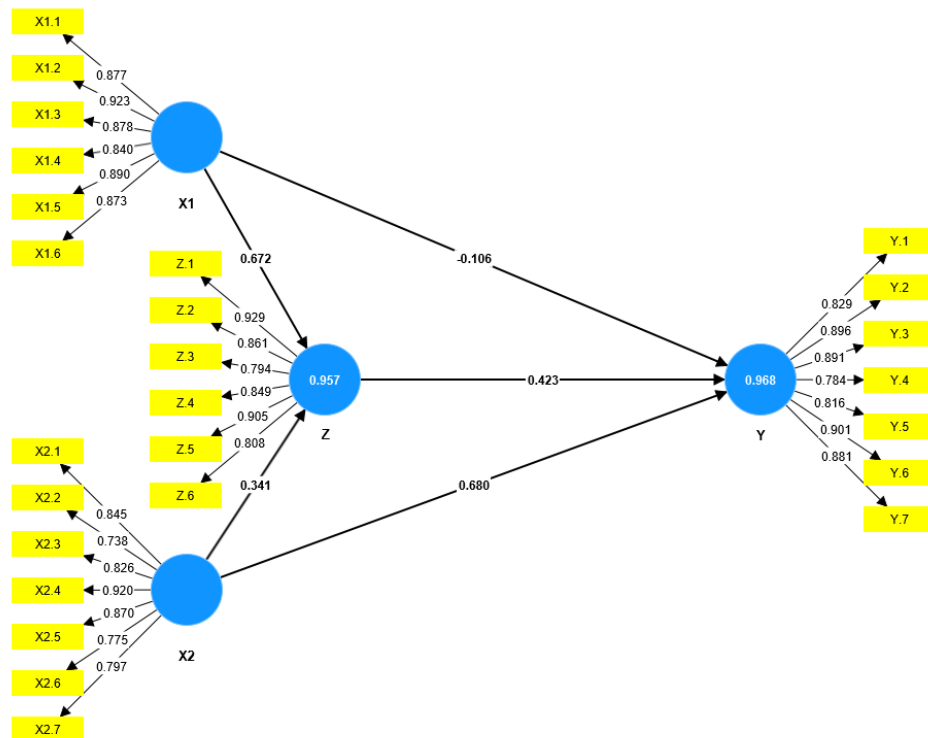


Figure.2. PLS Algorithm

(Source: processed by researchers using smartPLS 4)

The design of this model describes how the relationship of latent variables referred to in hypotheses, problem formulations and theoretical studies. Figure 4.4 is an inner model design of SmartPLS software processing where the blue circle is a symbol of the research variable. Timeliness is denoted by X1 which has 3 indicators with 6 statements, Price is denoted by X2 which has 4 indicators with 7 statements, customer satisfaction is denoted

by Z which has 3 indicators with 6 statements, and finally customer loyalty is inflated Y which has 4 indicators 8 statements.

Tabel 4.1**Construct Validity Test Table**

VARIABLES	TIMELINESS (X1)	PRICE (X2)	CUSTOMER LOYALTY (Y)	CUSTOMER SATISFACTION (Z)
X1.1	0,877			
X1.2	0,923			
X1.3	0,878			
X1.4	0,840			
X1.5	0,890			
X1.6	0,873			
X2.1		0,845		
X2.2		0,737		
X2.3		0,826		
X2.4		0,919		
X2.5		0,870		
X2.6		0,769		
X2.7		0,800		
Y.1			0,829	
Y.2			0,896	
Y.3			0,890	
Y.4			0,784	
Y.5			0,817	
Y.6			0,901	
Y.7			0,881	
Z.1				0,929
Z.2				0,861
Z.3				0,794
Z.4				0,849
Z.5				0,905
Z.6				0,808

(Source: processed by researchers using SmartPLS 4)

In this study has several stages of testing measurement models that aim to prove the requirements to meet the validity of the study, namely, having a *loading factor* limit of > 0.7 (greater than zero point seven). An indicator can be said to be valid can be expressed by meeting the convergent validity test with an *outer loading* value of > 0.7 (greater than zero point seven).

4.2. Discriminant Validity Test

On Reflective indicators need to be tested for discriminants validity by comparing values in the cross loading table. An indicator is valid if it has the highest loading factor value to the intended construct compared to the loading factor value to other constructs.

Table 4.2

(Source: processed by researchers using SmartPLS 4)

	X1	X2	Y	Z
X1.1	0.877	0.767	0.785	0.832
X1.2	0.923	0.759	0.778	0.872
X1.3	0.878	0.785	0.792	0.822
X1.4	0.840	0.621	0.667	0.794
X1.5	0.890	0.769	0.798	0.849
X1.6	0.873	0.789	0.818	0.905
X2.1	0.712	0.845	0.768	0.808
X2.2	0.543	0.738	0.617	0.578
X2.3	0.722	0.826	0.829	0.795
X2.4	0.826	0.920	0.896	0.844
X2.5	0.814	0.870	0.891	0.848
X2.6	0.603	0.775	0.787	0.637
X2.7	0.660	0.797	0.816	0.722
Y.1	0.722	0.826	0.829	0.795
Y.2	0.826	0.920	0.896	0.844
Y.3	0.814	0.870	0.891	0.848
Y.4	0.589	0.767	0.784	0.624
Y.5	0.660	0.797	0.816	0.722
Y.6	0.868	0.851	0.901	0.929
Y.7	0.774	0.817	0.881	0.861
Z.1	0.868	0.851	0.901	0.929
Z.2	0.774	0.817	0.881	0.861
Z.3	0.840	0.621	0.667	0.794
Z.4	0.890	0.769	0.798	0.849
Z.5	0.873	0.789	0.818	0.905
Z.6	0.712	0.845	0.768	0.808

Tabel 4.3

Construct Reliability Test Table

Variable	Cronbach's alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)	Result
Timeliness (X1)	0,942	0,943	0,954	0,775	Reliable
Price (X2)	0,922	0,929	0,938	0,683	Reliable
Customer Loyalty (Y)	0,940	0,943	0,951	0,736	Reliable
Customer Satisfaction (Z)	0,928	0,932	0,944	0,738	Reliable

(Source: processed by researchers using SmartPLS 4)

From the table above, it is known that *Cronbach's alpha* value for each latent variable measured greater than 0.70 can be said to have an accepted or high reliability value. Based on the results of the reliability test above, it shows that the Timeliness variable has a Cronbach's alpha value of $0.942 > 0.70$, the price has a Cronbach's alpha value of $0.922 > 0.70$, customer loyalty has a *Cronbach's alpha* value of $0.940 > 0.70$, and customer satisfaction has a value of $0.928 > 0.70$.

The square root of the Average Variance Extracted (AVE) for each variable is greater than the coefficients of the other variables. This measure is acceptable for any variable that has a good value determinant. From the discriminant validity test, all variables of Timelines, Price, Customer Loyalty, and Customer Satisfaction were validated with an AVE value greater than 0.70.

4.4. Model Fit Test**Tabel 4.4****R-square Table**

	R square	R square Adjusted	Result
Customer Loyalty (Y)	0,968	0,966	Moderate
Customer Satisfaction (Z)	0,957	0,955	Moderate

(Source: processed by researchers using SmartPLS 4)

The value for the R-squared value of 0.75 is strong, 0.50 is medium, and 0.25 is weak. Based on the R² value of the two variables, it involves the relevance of Q2 predictions. From the table above shows that customer loyalty has a value of 0.968 or 96.8% which means it has a strong level of value, and then the results of customer satisfaction have a value of 0.957 or 95.7% means it can be said to have a moderate level of value, because it is above 0.50 below 1.

4.5. Goodness of Fit Test**Tabel 4.5****Path coefficients and T-values**

Path	Original Sampel (O)	T Statistik	P Values	Results
Timeliness -> Customer Satisfaction	0,672	12,761	0,000	Accepted
Price -> Customer Satisfaction	0,341	6,222	0,000	Accepted
Customer Satisfaction -> Customer Loyalty	0,423	3,683	0,000	Accepted

Timeliness -> Customer Loyalty	-0,106	1,110	0,267	Not Accepted
Price -> Customer Loyalty	0,680	9,696	0,000	Accepted
Timeliness - >Customer Satisfaction -> Customer Loyalty	0,284	3,366	0,001	Accepted
Price-> Customer Satisfaction -> Customer Loyalty	0,144	3,424	0,001	Accepted

(Source: processed by researchers using SmartPLS 4)

1. H1 Hypothesis Testing

The first hypothesis testing was conducted to see if timeliness had a positive effect on customer satisfaction. The test results can be seen from table 4.6 above, customer satisfaction obtained an original sample estimate *value of* 0.672 with a t-statistic value of $12.761 > 1.96$ which means timeliness has a positive effect on customer satisfaction with a level of significance above 5% (significant). Based on the results of such tests it can be concluded that the **first hypothesis (H1) is accepted**.

2. H2 Hypothesis Testing

This second hypothesis test is aimed at looking at price against customer satisfaction. Based on the results of the price test, it obtained an *original sample estimate* value of 0.341 with a t-statistic value of $6.222 > 1.96$ t-table, which means that the price variable has a positive effect of 62.22% on customer satisfaction with significance below 5% (significant). From the results of the regression hypothesis, it can be concluded that the **second hypothesis (H2) is accepted**.

3. H3 Hypothesis Testing

The third hypothesis test is aimed at seeing the effect of customer satisfaction on customer loyalty. Based on the test results, the *original sample estimate* value of 0.423 with a t-statistic value of $3.366 > 1.96$ t-table means that the customer satisfaction variable has a positive effect of 33.66% on customer loyalty with significance below 5% (significant). From the results of the regression hypothesis it can be concluded that the **third hypothesis (H3) is accepted**.

4. H4 Hypothesis Testing

A fourth test was conducted to see if Timeliness negatively affected customer loyalty. Based on the results, it can be seen that the *original sample estimate* value is -0.106 with a significant below 5% which is shown by a t-statistic value of 1.110 smaller than the t-table value of 1.96. A negative original sample estimate value indicates that timeliness negatively affects customer loyalty. Based on the results of the regression, it can be concluded that the **fourth hypothesis (H4) is not accepted**.

5. H5 Hypothesis Testing

This fifth hypothesis test is aimed at looking at the effect of price on customer loyalty. Based on the results of the price test, the *original sample estimate* value of 0.680 with a t-statistic value of 9.696 > 1.96 t-table which means that the price variable has a positive effect of 96.96% on customer loyalty with significance below 5% (significant). From the results of the regression hypothesis it can be concluded that the **fifth hypothesis (H5) is accepted**.

6. H6 Hypothesis Testing

The sixth hypothesis test is aimed at looking at the effect of timeliness on customer loyalty with customer satisfaction as mediation. Based on the results of the timeliness test, obtained an original sample estimate value of 0.284 with a t-statistic value of 3.366 > 1.96 t-table, which means that timeliness variable has a positive effect of 33.66% on customer loyalty with customer satisfaction as mediation with significance below 5% (significant). From the results of the regression hypothesis it can be concluded that the **sixth hypothesis (H6) is accepted**.

7. H7 Hypothesis Testing

The seventh hypothesis test is aimed at looking at the effect of price on customer loyalty with customer satisfaction as mediation. Based on the results of the price test, the *original sample estimate* value was 0.144 with a t-statistic value of 3.424 > 1.96 t-table, which means that the price variable has a positive effect of 34.24% on customer loyalty with customer satisfaction as mediation with significance below 5% (significant). From the results of the regression hypothesis it can be concluded that the **seventh hypothesis (H7) is accepted**.

Discussion

The results of hypothesis testing in this study yielded several important conclusions. First, timeliness has a positive effect on customer satisfaction, with a significance level above

5%, reinforcing the first hypothesis (H1). Secondly, price also has a positive impact on customer satisfaction, with significance below 5%, which supports the second hypothesis (H2). Third, customer satisfaction positively affects customer loyalty, validating the third hypothesis (H3). However, the fourth hypothesis (H4) about the negative influence of timeliness on customer loyalty is not accepted. Fifth, price positively affects customer loyalty, according to the fifth hypothesis (H5). Sixth and seventh, timeliness and price positively affect customer loyalty through customer satisfaction as mediation, which supports the sixth (H6) and seventh (H7) hypotheses. Thus, this study shows that timeliness, price, and customer satisfaction have an important role in shaping customer loyalty in this context.

5. Conclusion

Based on the data analysis and discussions in the previous chapter regarding the Effect of Timeliness and Price on Customer Loyalty with Customer Satisfaction as an Intervening Variable at PT Kay Ocean Indonesia, several key conclusions can be drawn. Firstly, it is evident that Timeliness has a positive impact on Customer Satisfaction. The statistical analysis reveals a significant relationship, with effective timeliness contributing to increased customer satisfaction. Secondly, Price also influences Customer Satisfaction, and customers are more likely to be satisfied when services are provided at an affordable rate, paired with good quality service. Thirdly, Customer Satisfaction is found to have a substantial positive effect on Customer Loyalty. Customers who are satisfied with the services provided are more inclined to remain loyal to the company.

Furthermore, it's important to note that Timeliness does not directly affect Customer Loyalty, as the analysis suggests. The negative estimate value implies that Timeliness does not significantly impact customer loyalty. However, this lack of direct influence on loyalty can be mediated by Customer Satisfaction, which acts as a bridge. In the case of Price, it is demonstrated to have a strong positive effect on Customer Loyalty. When customers receive value for their money and quality services, they are more likely to develop loyalty towards the company. These findings underscore the significance of not only delivering products or services on time and at an appropriate price but also ensuring high levels of customer satisfaction to foster lasting loyalty.

6. Implications

Based on the information provided, here are the implications:

1. **Improve Timeliness and Price Optimization:** The results suggest that PT Kay Ocean Indonesia should prioritize improving the timeliness of goods delivery and optimizing its pricing strategy. To improve timeliness, the company may need to streamline its logistics and supply chain processes, and invest in efficient transportation and delivery systems. Moreover, optimizing pricing for its customers will involve market research to competitively align prices and maximize profitability. By addressing these aspects, PT

Kay Ocean Indonesia can improve customer satisfaction and competitiveness.

2. Investment in Infrastructure and Workforce Development: To achieve the recommended improvements, PT Kay Ocean Indonesia should consider investing in infrastructure upgrades and workforce development. This may involve upgrading and modernizing its transportation and warehousing facilities, as well as implementing advanced tracking and management systems. In addition, the company should invest in training and development programs to empower its workforce with the skills needed for efficient operations and customer service. By investing in infrastructure and human resources, PT Kay Ocean Indonesia can work towards a more competitive and customer-centric business model.

7. Research limitations

The main limitation of this study lies in the very limited time constraints. The short study period limits our ability to collect more extensive and in-depth data and conduct in-depth analysis covering all relevant aspects. Therefore, some details of deeper or long-term developments may not be discussed in depth in this study. However, we have made every effort to create a comprehensive understanding of this subject with available resources and within the stipulated time frame.

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