



THE INFLUENCE OF SERVICE QUALITY AND BRAND IMAGE ON CUSTOMER LOYALTY THROUGH CUSTOMER SATISFACTION IN THE FACTORY BUILDING RENTAL SERVICES OF PT KAWASAN BERIKAT NUSANTARA JAKARTA INDONESIA

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ABSTRACT: This research aims to determine and test: 1) the influence of service quality and brand image on customer loyalty in factory building rental services; 2) the influence of service quality and brand image on customer satisfaction with factory rental services; 3) the influence of customer satisfaction on customer loyalty in factory building rental services; 4) the influence of service quality and brand image on customer loyalty through customer satisfaction with factory building rental services. This research uses a quantitative design approach to answer the formulation and verification of research hypotheses. This research aims to analyze the influence of the exogenous variables of service quality and brand image on the endogenous variable, namely customer loyalty, through the intervening variable, namely customer satisfaction. The research was conducted at the PT Kawasan Berikat Nusantara Jakarta Indonesia building with a research sample of 100 companies. Data analysis uses path analysis. The research results show that: 1) service quality and brand image influence customer loyalty in factory building rental services; 2) service quality and brand image influence customer satisfaction with factory rental services; 3) customer satisfaction influences customer loyalty in factory building rental services; 4) service quality and brand image influence customer loyalty through customer satisfaction with factory building rental services.

KEYWORDS – Service Quality, Brand Image, Customer Satisfaction, Customer Loyalty.

1. INTRODUCTION

Globalization is a fairly big challenge but it must be addressed positively and optimistically, this challenge comes from various fields, both political and cultural. economy, education, and environment. The large number of foreign companies in Indonesia is a phenomenon that occurs in the current era of globalization. The positive and negative impacts of globalization from this phenomenon are if globalization cannot be empowered and optimized, especially efforts to increase the capacity of human resources who can develop and adapt to changes in the global environment. The positive impact of globalization on foreign companies in Indonesia shows that Indonesia is being looked at as a new production location and marketing target. In carrying out its activities, foreign companies need workers. Thus, the entry of foreign companies in Indonesia can increase the number of job opportunities, this is also the case in the PT Kawasan Berikat Nusantara. For this reason, as a developing country, Indonesia has challenges in creating a unique Indonesian education nuance with an international class. The goal, apart from being able to improve intellect, can also be a method of increasing morality by the treasures of Indonesia.

In facing globalization, a critical attitude is very necessary. This attitude is interpreted as a challenge that can provide benefits to people's lives. The critical attitudes that can face globalization include the following; improve the quality of human resources (HR). adhere to social values and norms. foster an attitude of pride in the identity of the Indonesian nation, increase a sense of concern for the environment

In the current era, companies are faced with a very dynamic competitive environment, this needs to be carefully observed and addressed well so that the business world continues to survive and can improve its quality. Competition conditions in the business sector are very tight and complex, requiring companies to always understand and comprehend what consumers need and be able to understand market needs so that companies continue to exist and can compete in all the very fast and dynamic changes in the environment. In responding to change, companies must innovate to meet consumer wants and needs. Companies that have an orientation to meet the wants and needs of consumers or are market-oriented can survive in a dynamic environment and with a high level of competition. This applies to companies that are increasingly facing very tight competition (Slater, 2000). One effort to improve high

performance in companies is by increasing customer loyalty through increasing marketing orientation and service quality so that consumers will feel satisfied and remain loyal consumers.

Today's corporate competitive environment is characterized by rapid change and full of uncertainty. The impact of globalization and rapid technological developments has made the competitive environment increasingly tight. These changes and developments also have an impact on consumers' purchasing decisions because these changes and developments can influence aspects within consumers such as tastes, and psychological, social, and cultural aspects of consumers. Companies must be able to identify these changes and try to create products that can attract consumer interest. The entire chain is carried out by the company through marketing activities.

To fulfill consumer satisfaction, companies are required to be astute in knowing the shifting needs and desires of consumers which change almost all the time. Buyers will move after forming a perception of the value of the offer, satisfaction after purchase depends on the performance of the offer compared to their expectations. Consumer satisfaction is the level of someone's feelings after comparing their perceived (performance or results) compared to their expectations (Qomariah, 2016).

Companies are required to be able to compete with other companies. The marketing concept emphasizes that an organization's success in realizing its goals is greatly influenced by its ability to identify the needs and desires of its target customers and provide the expected satisfaction more effectively and efficiently, as well as maintaining customer loyalty. No business or organization can be successful without building customer satisfaction and loyalty. Consumers who are satisfied with the value obtained from a product or service are very likely to become loyal customers. One of the factors that most influence customer satisfaction and perceptions of service quality is how to handle complaints from customers (Kotler & Keller, 2009). In general, customer expectations are customers' estimates or beliefs about what they will receive if they buy or consume a product. According to Ariyani (2002), marketing activities are key activities that will be able to support all company activities. If the activities carried out by the company fail, it will cause the company to collapse. Emphasizing the marketing aspect is very important because, in any business field, the starting point of all company activities will be based on the existence of a market in terms of demand. Without a market, there is no business process and of course, there are no other activities including production, and every business process must have a target to grow and continue to develop in the industrial environmental conditions the company enters, especially environmental conditions which are not only uncertain but generally cannot be predicted precisely.

According to Liu (2007) states that a market-oriented marketing strategy is needed to anticipate all consumer wants and needs accurately and robustly in facing an increasingly complex and competitive environment in which companies operate. However, developing an appropriate marketing strategy is not an easy job. To help managers develop good marketing strategies, computer-based information systems have been implemented to support the marketing strategy development process and marketing strategic planning in various ways. Management faces continuous challenges in obtaining information about markets, competition, and consumers or customers. Apart from being the center of economic activity, Jakarta also functions as the National Capital and center of government of the Republic of Indonesia, the center of social and cultural activities, and the center of national security and defense activities. Jakarta City Development carries out the mission of aligning Jakarta with other cities in the world. Efforts made to fulfill this mission include directing Jakarta as a service city. Jakarta must be able to facilitate various activities in the city, including being a center of economic activity by providing a gathering place for producers and consumers.

Customer loyalty behavior is the actual repeat purchase of a product or service, which includes purchasing more of the same product or service or other product alternatives from the same company, recommending the company to others, and the possibility of long-term use of the product for that brand. quality is maintained (Saravanakumar, 2014). Loyalty can position a company's products in that the company considers customers as partners by strengthening the belief that they will always interact and develop for mutual progress. Customer loyalty can be seen through the performance growth of a company. However, the phenomenon experienced by the company in the last five years is the decreasing number of customers and decreasing financial performance due to customer dissatisfaction with services and products. Loyalty depends on the level of satisfaction provided by the company. Customer satisfaction concerns what customers express about their perceptions and expectations of banking services obtained from the bank. Meanwhile, loyalty is related to what customers do after interacting in a company service process. This concept implies that customer satisfaction is not enough, because satisfied or dissatisfied is just one form of emotion. Apart from that, customer loyalty is no less relevant to analyze because customer loyalty will emerge after the customer feels satisfied or dissatisfied with the service they receive.

The existence of PT Kawasan Berikat Nusantara in Marunda (KBN Marunda) is the government's effort to facilitate industrial activities, especially those that are export-oriented. PT. KBN is an industrial area manager that provides industrial locations, to accommodate investors who are looking for locations for all or part of industrial activities. Various efforts have been made to attract world investment to invest in KBN Marunda. These efforts include providing standard factory buildings along with facilities and utilities like other industrial areas in general, as well as providing special provisions in the field of customs and ease of administration systems based on Government Regulation Number 33 of 1996.

The aim of developing KBN as stated in the Marunda Bonded Zone Master Plan, 1999, is to create an industrial area as a center of economic activity whose development is adapted to community needs from time to time, based on existing economic growth. Currently in KBN Marunda, the processing and warehousing industry is being developed. To support these activities, utility facilities include electricity, clean water, telephone, and sewage, as well as supporting service facilities including the provision of a health center, firefighting assistance, security, and the provision of an internet network. One of the advantages of KBN is the existence of a one-stop service which makes it possible to speed up administrative services, especially in administrative services in export-oriented industries.

The allocation of fairly large industrial land in urban areas close to ports and with coastlines is a rare area. The location of KBN is about five kilometers from the port of Tanjung Priok. With this closeness, it is hoped that it will make it easier for existing companies to carry out import-export activities. The high frequency of import-export activities requires fast access, especially from ports to regions and vice versa. Good road facilities make it easier to move goods transporting vehicles, most of which use large vehicles. Apart from that, another factor that is no less important is support from the surrounding environment. Cheap labor is a comparative advantage that Indonesia has. However, environmental support for industrial activities is not only a labor factor, ease of marketing production results and consistency of regulations related to bonded businesses, such as regulations governing tax incentive policies, are important factors to provide comfort in doing business in bonded areas. The PT Kawasan Berikat Nusantara is an asset that apart from being able to contribute to regional income, can also spur economic growth in the surrounding area. This can be achieved if the area is utilized optimally, meaning that the land and buildings are used by investors for industrial activities. The investment value of PT. KBN which reached IDR. 200 billion (KBN, 2004), will be wasted if the use of bonded areas is not optimal. Implementing the right strategy can attract investors to invest their capital in bonded areas. From 2002 until now, the number of investors in KBN continues to decline.

Many companies have withdrawn or reduced the area they rent. The development of investors in KBN is quite worrying. In 2002, as many as 24 investors withdrew. Until October 2003, as many as 10 investors resigned (Kompas, November 13, 2003). The utilization rate is below seventy percent. Many lands and buildings in bonded areas are not used. This is of course detrimental to PT Kawasan Berikat Nusantara (KBN) considering that maintaining the property it covers requires quite a lot of money without contributing to income as a cost center. Geographically, PT KBN is located on the north coast of Jakarta. PT Kawasan Berikat Nusantara (KBN) is divided into three areas, namely the Cakung area, the Marunda area, and the Tanjung Priok area. Administratively, the Tanjung Priok area is located in Tanjung Priok District. The Cakung area is located in Cilincing District, and the Marunda area is also located in Cilincing District. According to the research location, the Cakung area is administratively included in the Cilincing District, North Jakarta. A flagship area is an area that has strategic value from an economic and city development perspective. In this area, various trade/service business activities and others have grown and developed.

PT. Kawasan Berikat Nusantara (PT. KBN) was established as an effort to increase exports, especially non-oil and gas exports, increase investment both foreign and domestic, increase employment opportunities in the industrial sector, and provide opportunities for the process of transferring technology and various other skills, especially in the market. international. Its business field is the provision of property in the form of industrial areas with various international standard facilities, including land and factory building rentals, warehousing, and forwarding. Activities in the area include office activities, warehousing, loading and unloading of goods, container depots, and non-formal activities such as food stalls. Office activities are owned by the area manager and the tenants in the area. Warehousing activities consist of storing goods that have been removed from containers or packing goods to be put into containers.

In line with the era of globalization which is marked by technological developments, customers and society are increasingly critical of the quality of products, services, and services provided by organizations. Organizations that can compete are organizations that have human resources with a knowledge base and various skills and expertise. To achieve the vision and mission, efforts have been made to provide and manage human resources both in quantity and quality through planned, systematic, and integrated resource strategies. The strength and weakness of PT Kawasan Berikat Nusantara as a BUMN operating in the service sector is largely determined by quality human resources. Therefore, the HR quality improvement program as one of the HR optimization efforts gets top priority.

Bonded zones play a very important role in supporting the economy, with the main function of being able to employ millions of people absorbed in the formal and informal sectors and contributing to the formation of Gross Domestic Product (GDP), a source of foreign exchange earnings for the country through the export of various types of products.

By the results of the survey and pre-research questionnaire which was carried out in June 2023, it is suspected that several obstacles were still found, including (1) very limited capital (2) still lack quality human resources (3) lack of channels to distribute goods (4) clear legal entity ownership and licensing (5) difficulties in calculating sales turnover because bookkeeping is still manual (6) developments in digital technology/strategy through online marketing (7) the company's ability to respond to competitive profit opportunities is still not maximized (8) PT Kawasan Berikat Nusantara is still not optimal in conducting research and monitoring markets, customers and competitors in running a business. This is because there is still an opinion that bright ideas are not supported by the leadership and only add new work and feel burdened to be implemented in the company (9) there is still a lack of assessment of product quality and service quality (10) companies have not made optimal use of work networks to build good relationships with customers, partners and government institutions (11) lack of company ability to innovate both process innovation, product innovation, marketing innovation and innovation management (12) still lacks commitment in implementing the company's vision and mission (13) is still not optimal in making changes to adapt to the challenges of dynamic environmental developments (14) is not yet optimal in managing assets so that it influences the company's performance. Companies that have a marketing orientation, and provide excellent service quality, can increase customer satisfaction and become loyal customers who always buy the company's products.

From the pre-research data, the problems experienced in developing the business include: (1) a company management system that is still not optimal in its implementation, (2) understanding market opportunities is not yet optimal, (3) Marketing strategies that are still less effective in implementation, (4) lack of working capital to support sales strategies, (5) not yet meeting standards in the production system.

Company strategy is the company's way of developing its target market. The company needs to pay attention to brand/product image, market segmentation, positioning, differentiation, targeting, and marketing (product, promotion, distribution, price, consumer).

Markets and consumers (distributors, importers, traders, and others), and market/consumer behavior are considerations for implementing company strategy. This influences changes in government policy and lifestyle developments, this is where it is important to implement the right company strategy according to needs. In reality, the company has not been optimal in its implementation so the company's performance has not met expectations.

The public's assessment of the company is influenced by how the public interprets the services they receive. According to Bedi (2010) providing high-quality services is a must to achieve customer satisfaction. For customers, service quality and customer satisfaction come from organized service. In simple terms, financial performance comes from customer loyalty. Loyal customers can save costs up to four to five times compared to the costs incurred to acquire new customers. This fact is a challenge for companies, namely how to create customers' desire to use the company's products and services and establish close relationships with their customers.

The best quality of service provided by a company to customers will make customers feel happy, and satisfied and ultimately make them feel comfortable in making transactions. The company's business is a service business based on the principle of trust, so the issue of service quality is a very important factor in determining the success of this business. Service quality is a form of consumer assessment of the perceived service level and the expected service level (Kotler, 2000). Service quality is produced by the operations carried out by the company, and the success of the company's operational processes is determined by many factors, including employee factors, technology systems, and customer involvement.

Napitupulu (2009) in his research stated four key factors for the success of environmental management in PT. Kawasan Berikat Nusantara, namely: (1) liquid waste management technology, (2) entrepreneur participation in environmental management, (3) availability of solid waste facilities and infrastructure, (4) use of chemicals in the production process (Napitupulu, A, 2009).

Departing from the results of previous research conducted by Minawati (2017) which showed a significant influence of service quality on customer loyalty and research results of Hidayat (2009) and Kurniawan (2013) which showed that service quality had no significant positive effect on customer loyalty. From the results of previous research, researchers are interested in conducting research again regarding the relationship between service quality factors, brand image, customer satisfaction, and customer loyalty.

Creating quality or good product quality is based on the commitment to the performance of human resources themselves (Dessler, 2013). Based on the background, it is necessary to analyze the influence of service quality and brand image on loyalty through customer satisfaction at the factory building rental service of PT Kawasan Berikat Nusantara Jakarta, Indonesia.

2. LITERATURE REVIEW

2.1 Service Quality

Quality is one of the keys to winning competition in the market. When a company can provide quality products, it has built one of the foundations for creating customer satisfaction. According to Tjiptono (2012), quality can be defined as "a dynamic condition related to products, services, human resources, processes and the environment that meets or exceeds expectations". Based on this definition, quality is the relationship between products and services or services provided to consumers that can meet consumer expectations and satisfaction. Quality is conformity with market or consumer needs (Abubakar & Siregar, 2010). According to Liu and Wu, (2007). Companies that can provide good service to their customers have the greatest opportunity to continue to be visited by their customers.

From this definition, it can be concluded that quality is an interconnected element of quality that can influence performance in meeting customer expectations. Quality does not only emphasize the final result but concerns human quality, process quality, and environmental quality. In producing quality products and services through quality people and processes.

The service quality indicators used in this research are:

- a. Reliability: the ability to provide promised services immediately, accurately, and satisfactorily. The performance provided by the service to customers must strive to be by customer expectations which can be realized, such as punctuality, the same service for all customers by minimizing errors, and a sympathetic attitude with high accuracy.
- b. Responsiveness: the staff's desire to help customers and provide services quickly, precisely, and responsively by conveying clear information. This means that each section of staff must try not to let any work get delayed. Leaving customers waiting without a clear reason causes a negative perception of service quality.
- c. Guarantee (Assurance): includes measuring the ability, politeness, and trustworthy nature of staff, free from danger and risk. This is intended to make customers feel more confident and confident that the company they choose to carry out various kinds of business transactions is a quality company and prioritizes customer interests.
- d. Empathy: includes ease of good communication, personal attention, and understanding of customer needs. Here it is intended that companies are expected to have understanding and knowledge of customer characteristics, understand specific customer needs, and represent comfortable operating times for customers.
- e. Tangibles: defined as a service dimension that focuses on elements that physically represent the service. The appearance and capability of the company's physical facilities and infrastructure as well as the condition of the surrounding environment are concrete evidence of the services provided by the service provider which includes physical facilities such as buildings or warehouses, equipment and tools used, and the appearance of the employees. (Zeithaml and Bitner, 2004).

2.2. Brand Image

For consumers, brands are seen as part of the product and can add value to the product. According to Kotler and Keller (2009), a brand is a value proposition or promise given by a company to consumers that they will obtain certain benefits from using the brand. For marketers, brands can be the basis for identifying the quality contained in a product and can influence consumer behavior toward the brand. The definition of brand image according to Kotler and Keller (2012) is the perceptions and beliefs that exist in consumers' minds, reflected in associations embedded in consumers' memories. The brand image represents past experiences with a brand, related to attitudes in the form of beliefs and preferences towards a brand.

Brand image is a description of consumers' associations and beliefs toward a particular brand (Tjiptono, 2012). Image or association represents a perception that can reflect objective reality or not. The image formed from this association is the basis for purchasing decisions and even brand loyalty from consumers. From several definitions regarding brand image, it can be concluded that brand image is a consumer's perception of a brand of a product, whether goods or services that have been selected, which is formed from past usage experience and based on information collected from other consumers who have previously used a company's products or services.

Brand image is a consumer's response to a brand which is based on the good and bad things that consumers remember (Keller and Swaminathan, 2020). Consumers' memories are of course formed by the experience of using the product or the perceptions and opinions of other consumers. Firmansyah (2019) states that brand image is a perception that

appears in the minds of consumers when remembering a brand from a certain product network, this experience will then be imaged or depicted on the brand to form a positive or negative brand image depending on various experiences and images. previously from the brand or company.

Setiadi (2016) states that brand image is a representation of the overall perception of a brand and is formed from information about past experiences with the brand itself. In this way, all information and past experiences will become a representation that will create consumer perceptions of the brand. So it can be concluded that brand image is a representation in the form of a general description of a brand based on the good and bad of a brand that is remembered based on experience and information that has previously been experienced or known.

In general, there are five brand image indicators by Kotler and Keller (2012), these five indicators are as follows:

- a. Memorable, how young consumers remember the brand
- b. It is very meaningful, how well the brand's credibility is, whether it represents the brand's products or consumers
- c. Likeability, the level of beauty and attractiveness of the brand
- d. Transferable, is the brand's ability to represent a varied range of products, not just being identical to one type of product.
- e. Adaptable, brand relevance in current developments.

2.3. Customer Satisfaction

Satisfaction comes from the Latin "Satis" which means good enough, and "Factio" which means to do or make. In simple terms, satisfaction can be interpreted as an effort to fulfill something or make something adequate (Tjiptono and Chandra, 2011).

Customer satisfaction is the main asset that underlies a company's business continuity in the modern era. Customer satisfaction is a company vision that must be realized continuously by creating various missions in every marketing activity (starting from internal, external, and interactive marketing).

According to Kotler and Keller (2009), customer satisfaction is the level of a person's feelings after comparing perceived performance with their expectations. Customers experience varying levels of satisfaction and dissatisfaction after experiencing each service according to the extent to which their expectations are met or exceeded. Customer satisfaction is also an assessment that product or service features, or the product or service itself, provides the highest level of fulfillment of customer expectations for a particular product or service (Zeithaml, 2013).

Based on this definition, it can be concluded that in general the meaning of customer satisfaction or dissatisfaction is seen from the conformity between customer expectations and perceptions and services received (experienced reality). Where customer expectations are the expectations of customers regarding the goods or services they will buy. Customer expectations can be formed from previous purchasing experiences, friends' advice, promises, and information from marketers and competitors.

According to Kotler and Keller (2009), indicators of customer satisfaction are as follows:

- a. Conformity to expectations is the conformity of customer expectations towards the brand image/services offered by the company. For example, conformity to customer expectations regarding the speed of service provided, the information system used, transaction security, and employee concern for customers.
- b. Performance perception is a perception created by customers regarding the services received from the company, such as satisfaction with product features, existing facilities at the company, benefits received, information provided, and reliability of the services provided.
- c. Customer assessment is a comprehensive assessment of the superiority of a company's products/services compared to the products/services of similar companies or competitors. This includes the hospitality provided, ease of transactions, services provided, products offered, and promotions carried out by the company.
- d. Customer experience is the feeling that customers feel after using or experiencing the products/services produced by the company. For example, satisfaction during transactions, services provided, and communication maintained by staff.
- e. Total satisfaction is a feeling of pleasure or disappointment that arises after comparing the performance (results) of the product in question against the overall expected performance (results). If performance is below expectations, the customer will be disappointed (dissatisfied) and conversely, if performance meets expectations or even exceeds them, the customer will be satisfied.

2.4. Customer Loyalty

Loyal or loyalty can be interpreted as loyalty. This loyalty is taken without any coercion but arises from one's awareness of the past. Efforts made to create consumer satisfaction are more likely to influence consumer attitudes. Meanwhile, the concept of consumer loyalty explains more about buyer behavior.

According to Hasan (2008), customer loyalty is defined as people who buy, especially those who buy regularly and repeatedly. A customer is someone who continuously and repeatedly comes to the same place to satisfy their desires by having a product or getting a service and paying for that product or service.

Customer loyalty is a repeat purchase made by a customer because of commitment to a brand or company. High loyalty is a customer who makes purchases in an increasing percentage from a particular company compared to other companies. Many factors influence a customer to be loyal, including the price factor, someone will of course choose the company or brand that he thinks provides the cheapest alternative price among the existing options. Apart from that, there is also the habit factor, someone who is used to using a particular brand or company will be less likely to switch to another option.

According to Kotler and Keller (2009), loyalty is a deeply held commitment to buy or support a preferred product or service again in the future even though the influence of the situation and marketing efforts have the potential to cause customers to switch, while Tjiptono (2012) states that customer loyalty is a who are loyal to a particular brand who tend to be attached to the brand and will buy the same product again even if there are many other alternatives available. From this understanding, it can be concluded that customer loyalty is something that is formed from various stages of learning obtained by customers in exchanges that occur between customers and product or service providers. Purchasing, which is the initial stage of customer loyalty, can be formed through learning about the product they purchased by repurchasing a product.

Indicators that can be used to measure customer loyalty are:

- a. Making repeat purchases regularly is one way to measure customer loyalty by looking at how often customers make repeat purchases after the first purchase.
- b. Purchasing between product and service lines, customers not only buy one type of product but also buy other products on offer.
- c. Referring to other people, here the customer is willing to inform other people about the product who have not yet purchased it. Apart from that, customers always give positive comments about the products they buy so that other people will be interested in these products.
- d. Showing immunity to the pull of competitors, customers refuse to admit that there are similar products marketed by competitors, and customers are not influenced by what competitors do (Griffin, 2003).

3. RESEARCH METHODS

The time of the research was carried out from May to June 2023. The research location was customers of the factory building rental service of PT Kawasan Berikat Nusantara Jakarta Indonesia. This research uses a quantitative design approach to answer the formulation and verification of research hypotheses. This research aims to analyze the influence of the exogenous variables of service quality and brand image on the endogenous variable, namely customer loyalty, through intervening variables, namely customer satisfaction,

The population in this study were customers of PT. Kawasan Berikat Nusantara uses the company's products and services. Respondents or selected customers are registered with the company and the questionnaire is sent via Google Form to make it easier to collect data, with a total customer population of 130 based on the company's database.

A sample is a portion of the population that has the main characteristics of the population and is used as a representative or representative in research. Determining the research sample used a purposive sampling technique, namely taking samples with certain considerations (Sugiyono, 2012). The criteria used in this research are a sample of regular customers at PT. Kawasan Berikat Nusantara as many as 100 respondents.

Path analysis is a technique for analyzing cause-and-effect relationships that occur in multiple regression if the independent variable influences the dependent variable not only directly but also indirectly (Retherford, 1993). In this study, to test the influence of mediating variables using path analysis.

4. RESULT AND DISCUSSION

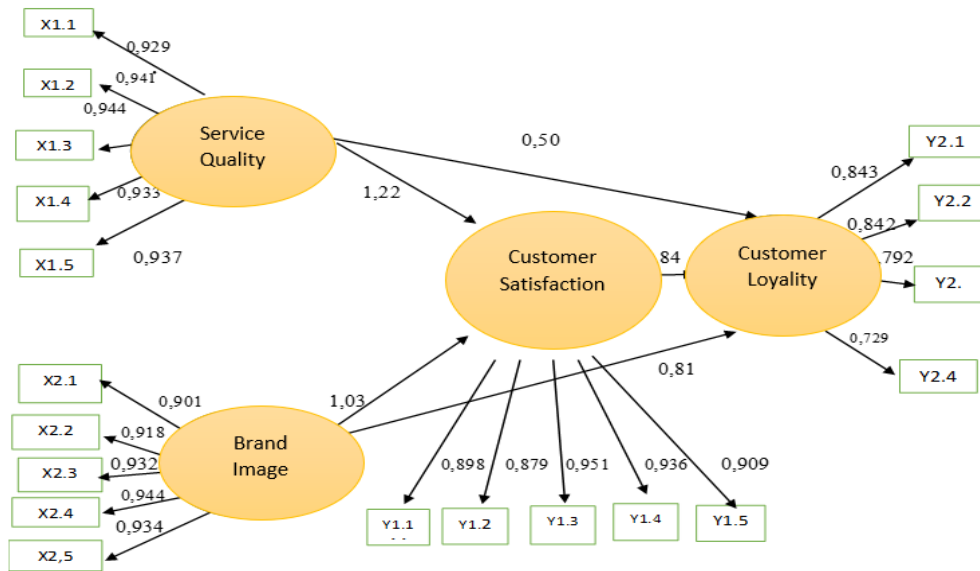


Figure 1. Confirmatory Factor analysis (CFA)

Hip	Variable			Regression Coefficients		
	Exogenous	Mediation	Endogenous	Direct	Indirect	Total
H1	Service Quality	-	Customer loyalty	0,658	-	-
	Brand Image	-	Customer Loyalty	0,812	-	-
H2	Service quality	Customer Satisfaction	Customer Loyalty	1,228	-	-
	Brand Image	Customer Satisfaction	Customer Loyalty	1,030	-	-
H3	-	Customer Satisfaction	Customer Loyalty	0.849	-	-
H4	Service Quality	Customer Satisfaction	Endogenous	-	$1,228 \times 0.849 = 1,042$	$0.658 + 1.042 = 1.700$
	Brand Image	Customer Satisfaction	Customer Loyalty	-	$1,030 \times 0.849 = 0.874$	$0.812 + 0.874 = 1.686$

The structural equation model used as a whole consists of two exogenous variables, one mediating variable, and one endogenous variable. The results of this study show that the variables are influenced by estimates of direct influence, indirect influence, and total influence. The results of the research show that the influence value of the regression coefficient, both direct, indirect, and total influence, has a significance value (p-value) that is smaller than 0.05

The coefficient of the total influence of service quality on loyalty through customer satisfaction (1.700) is greater than the coefficient of the total influence of brand image on loyalty through customer satisfaction (1.686). Thus the coefficient of the direct influence of service quality on loyalty (0.658) is smaller than the coefficient of the indirect influence of service quality on loyalty through customer satisfaction (1.042). This means that the path chosen should be to improve service quality towards increasing loyalty through increasing customer satisfaction.

Hypothesis Testing

Hypothesis 1

The service quality and brand image variables have t values of 6.723 and 7.920 and significance values of 0.003 and

0.000 at a significance level of 0.05. It can be concluded that the significance value is $0.003 < 0.05$ and $0.000 < 0.05$, so hypothesis 1 states "Service quality and brand image have a positive effect on customer loyalty of PT. Kawasan Berikat Nusantara". The second hypothesis is accepted. The results of this research show that service quality and brand image influence customer loyalty. This indicates that the level of service quality and brand image increases customer loyalty PT Kawasan Berikat Nusantara.

Hypothesis 2

The service quality and brand image variables have t values of 12,815 and 12,733 and significance values of 0.006 and 0.000 at a significance level of 0.05. It can be concluded that the significance value is $0.006 < 0.05$ and $0.000 < 0.05$, so hypothesis 2 states "Service quality and brand image have a positive and significant effect on customer satisfaction". The first hypothesis is accepted. The results of this research show that service quality and brand image influence customer satisfaction. This indicates that the level of service quality and brand image influence customer satisfaction.

Hypothesis 3

The customer satisfaction variable obtained a calculated t value = 15.920 a t-table of 1.663 and a significance value of 0.000 at a significance level of 0.05. This means $t\text{-count} > t\text{-table}$ ($15.920 > 1.663$), hypothesis 3 which reads "customer satisfaction has a positive and significant effect on customer loyalty at PT Kawasan Berikat Nusantara." The third hypothesis is accepted.

Hypothesis 4

Service quality and brand image have a positive and significant effect on loyalty through customer satisfaction at PT Kawasan Berikat Nusantara". The fourth hypothesis is accepted.

Discussion

1. The Influence of Service Quality and Brand Image on Customer Loyalty

Customer loyalty is the ability and willingness of a customer to obey, carry out, and practice something, without expecting anything. Indicators of customer loyalty consist of making regular repeat purchases or re-renting, purchasing between product and service lines, and providing recommendations and immunity against competitors at PT Kawasan Berikat Nusantara.

Based on the research results, tangible indicators provide the greatest support for establishing service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room. Based on the research results, tangible indicators provide the greatest support for establishing service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room for customers when making transactions. Based on research results, tangible indicators provide the greatest support for establishing service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room and employees who look very neat. Memorability indicators make the biggest contribution to the formation of a brand image, namely that the brand is easy for customers to remember and the company's existence.

The tangible indicators provide the greatest support for establishing service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room in a strategic location. The indicator that provides the greatest support for the formation of customer loyalty is making regular repeat purchases, that is, customers always come to make transactions and use other products. Based on the research results, tangible indicators provide the greatest support for the formation of service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room on offer. Based on the research results, shows that service quality and brand image provide support for increasing customer loyalty PT Kawasan Berikat Nusantara, this research is in line with the results of research conducted by Ristanti et al (2011), Aditya (2016), Normasari, et al (2013).

2. The Influence of Service Quality and Brand Image on Satisfaction Customers

Service quality is an effort to fulfill customer needs and desires to match customer expectations PT Kawasan Berikat Nusantara. Service indicators consist of reliability, responsiveness, assurance, empathy, and tangibility. Brand image is the perception that appears in someone's mind regarding a brand or a product PT Kawasan Berikat Nusantara. Brand image indicators consist of being remembered, very meaningful, liked, transferable, and adaptable.

Customer satisfaction is a customer's feeling of happiness or disappointment that arises from comparing perceived performance against expectations PT Kawasan Berikat Nusantara.

Customer satisfaction indicators consist of conformity to expectations, performance perception, customer assessment, customer experience, and total satisfaction.

Based on the research results, tangible indicators provide the greatest support for establishing service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room for customer's PT Kawasan Berikat Nusantara to wait when making transactions with PT Kawasan Berikat Nusantara has a very neat appearance. The indicator is remembered as making the biggest contribution to the formation of the brand image, namely the brand PT Kawasan Berikat Nusantara is easy for customers to remember and the existence of PT Kawasan Berikat Nusantara is strategically located for customer's PT Kawasan Berikat Nusantara to wait when making transactions with PT Kawasan Berikat Nusantara has a very neat appearance. The indicator is remembered as making the biggest contribution to the formation of the brand image, namely the brand PT Kawasan Berikat Nusantara is easy for customers to remember and the existence of PT Kawasan Berikat Nusantara is strategically located. The indicator that provides the greatest support for the formation of customer satisfaction variables is customer experience, namely customers PT Kawasan Berikat Nusantara is satisfied with management performance and satisfied with the friendliness of employee's PT Kawasan Berikat Nusantara in serving customers.

Based on the research results, shows that service quality and brand image provide support for increasing customer satisfaction. The results of this research are in line with the results of PT. PT Kawasan Berikat Nusantara research conducted by Samraz and Muhammad (2012), Shanka (2012), Subagja, I.K., and Susanto, P.H. (2019), Normasari, et al (2013), Shpëtim (2012).

3. The Influence of Customer Satisfaction on Customer Loyalty

Based on the research results, the indicator that provides the greatest support for the formation of customer satisfaction is experience, namely that customers feel satisfied with management performance and satisfied with the friendliness of employee's PT Kawasan Berikat Nusantara, in serving customers. The indicator that provides the greatest support for forming loyalty is making regular repeat purchases, that is, customers always come to make transactions and use other products offered by PT Kawasan Berikat Nusantara. Based on the research results, the indicator that provides the greatest support for the formation of customer satisfaction is customer experience, namely customers feel satisfied with management performance and satisfied with the friendliness of employee's PT Kawasan Berikat Nusantara. Based on the research results, the indicator that provides the greatest support for the formation of customer satisfaction is experienced, namely that customers feel satisfied with management performance and satisfied with employee friendliness. Based on the research results, it shows that customer satisfaction provides support for increasing customer loyalty PT Kawasan Berikat Nusantara. The results of this research are in line with the results of research conducted by Kurniawan (2013), Khan & Fasih (2014), Awara & Anyadighibe (2014), and Ismajli, et al (2014).

4. The Influence of Service Quality and Brand Image on Customer Loyalty Through Customer Satisfaction.

Based on the research results, tangible indicators provide the greatest support for establishing service quality, namely providing a comfortable waiting room for customer's PT Kawasan Berikat Nusantara, employees always look very neat. The indicator is remembered as making the biggest contribution to the formation of the brand image, namely the brand PT Kawasan Berikat Nusantara, easy for customers to remember and the existence of PT. PT Kawasan Berikat Nusantara.

The indicator that provides the greatest support for the formation of customer satisfaction is customer experience, namely customers. The indicator that provides the greatest support for the formation of customer satisfaction is customer experience, namely, customers are satisfied with management performance and satisfied with the friendliness of employee's PT Kawasan Berikat Nusantara in serving customers. The indicator that provides the greatest support for the formation of customer loyalty is making regular repeat purchases, namely customers always come to make transactions and use other products offered by PT Kawasan Berikat Nusantara.

Based on the research results, shows that service quality and brand image support increased loyalty through customer satisfaction. This shows that customer satisfaction can mediate the quality of brand image service on customer loyalty. The results of this research are in line with the results of research conducted by Samraz and Muhammad (2012), Shanka (2012), Subagja, I. K, & Susanto, P.H. (2019), Normasari, et al. (2013), Shpëtim (2012), Ristanti et.al (2011), Kurniawan (2013), Khan & Fasih (2014), Awara & Anyadighibe (2014) and Ismajli, et al (2014). Based on the research results, shows that service quality and brand image support increased loyalty through customer satisfaction at PT Kawasan Berikat Nusantara. This shows that customer satisfaction can mediate the quality of brand image service on customer loyalty. The results of this research are in line with the results of research conducted by Samraz and Muhammad (2012), Shanka (2012), Subagja, I. K, & Susanto, P.H. (2019), Normasari, et al. (2013),

Shpëtim (2012), Ristanti et.al (2011), Kurniawan (2013), Khan & Fasih (2014), Awara & Anyadighibe (2014) and Ismajli, et al (2014).

5. CONCLUSION

Based on the results of research regarding the influence of service quality and brand image on customer loyalty with customer satisfaction as a mediating variable, the following conclusions can be drawn:

1. Service Quality

Based on the analysis of service quality descriptions, it shows that tangible indicators make the largest contribution to the formation of service quality, namely PT Kawasan Berikat Nusantara provides a comfortable waiting room for customers to wait when making transactions and the employees look very neat. Based on the results of path analysis, it shows that service quality provides support for increasing customer satisfaction and customer loyalty.

2. Brand Image

Based on the analysis of the brand image description, it shows that the indicators that are remembered make the biggest contribution to the formation of the brand image, namely the PT brand. PT Kawasan Berikat Nusantara is easy for customers to remember and is strategically located. Based on the results of path analysis, shows that brand image provides support for increasing customer satisfaction and customer loyalty at PT Kawasan Berikat Nusantara.

3. Customer Satisfaction

Based on the analysis of customer satisfaction descriptions, it shows that the indicator that makes the biggest contribution to the formation of customer satisfaction is customer experience, namely customers feel satisfied with management performance and satisfied with the friendliness of employees in serving customers. Based on the results of path analysis, it shows that customer satisfaction provides support for increasing customer loyalty. PT Kawasan Berikat Nusantara.

4. Customer Loyalty

Based on the descriptive analysis of customer loyalty, it shows that the indicator of regular purchasing/renting is that customers always come to make transactions and use other products offered by PT Kawasan Berikat Nusantara. Based on the research results, it shows that customer satisfaction can mediate service quality and brand image on customer loyalty.

Suggestion

Based on the results of research regarding the influence of service quality and brand image on customer loyalty with customer satisfaction as mediation, several suggestions can be made as follows:

1. It is hoped that the results of this research can contribute to science marketing management, especially relating to brand image service quality customer satisfaction, and customer loyalty.
2. The results of this research are expected to provide benefits for leader's PT Kawasan Berikat Nusantara for factory building rental services as input in determining marketing strategies, especially related to service quality, brand image, customer satisfaction, and customer loyalty taking into account the following:

a. Service Quality

To become a concern for PT Kawasan Berikat Nusantara pays attention to indicators of constraints and empathy which give the lowest value to the formation of service quality. Employees must be able to provide complete information on products and services well to customers and service times following the SOP that has been determined to be provided. In the empathy indicator, employees provide attention by greeting each customer when making a transaction and caring for customers with service excellence training.

b. Brand Image

To become concerned for PT Kawasan Berikat Nusantara pays attention to the preferred indicator that gives the lowest value to brand image formation, namely the placement of the logo PT Kawasan Berikat Nusantara is strategic so that it is easy to see and can attract visitors and the atmosphere of the waiting room and services provide customer comfort.

c. Customer Satisfaction

Become a concern for PT Kawasan Berikat Nusantara to pay attention to customer assessment indicators that give the lowest value to the formation of customer satisfaction, namely by providing a sense of satisfaction with the products offered by the company.

d. Customer Loyalty

To become a concern for PT Kawasan Berikat Nusantara to pay attention to indicators of immunity to competitors that give the lowest value to the formation of customer loyalty, utilizing the products produced by the company must be innovative and communicative, adjusted to trends and customer needs and desires.

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