

ABSTRACT

The older generation (30 – 34 years old) has lower internet consumption compared to the younger generation (20 – 24 years old and 25 – 29 years old). This indicates that the Gen Y is quite dependent to internet, some to the point of addiction. In an endeavor to foster the loyalty of Gen Y'ers, it is crucial for mobile service providers to comprehend the key drivers of customer loyalty.

The purpose of this study is to investigate the reason of loyalty Gen Y'ers toward mobile service provider. The total questionnaire items used in this research are 38 items with sample taken as many as 400 respondents. The independent variabel used in this research are Performance/Quality Value, Price/Value for Money, Emotional Value, Relational Value, and Customization Value, while the mediator variable are Customer Satisfaction, Switching Cost, and Alternative Attractiveness which will be measured by using smartPLS. This research uses quota sampling which is part of non-probability sampling.

The result showed that Performance/Quality Value, Emotional Value, Relational Value is partially influence Customer Satisaction. Customers' satisfaction and customer loyalty is moderated by SC, such that the relationship is weaker for those individuals who perceive SC to be high on Gen Yers towards mobile service provider in Indonesia. Customers' satisfaction and customer loyalty is moderated by SC, such that the relationship is weaker for those individuals who perceive SC to be high on Gen Yers towards mobile service provider in Indonesia. Customers' satisfaction and customer loyalty is mediated through AA on Gen Yers towards mobile service provider in Indonesia. Customers' satisfaction and customer loyalty is moderated by AA, such that the relationship is stronger for those individuals who perceive attractiveness of alternatives to be high on Gen Yers towards mobile service provider in Indonesia.

Keywords: *Customer Loyalty, Customer Satisfaction, Switching Cost, Alternative Attractiveness, Mobile Service Provider*