

## **ABSTRACT**

*Chatime experiencing rapid growth in the business because of their innovation attracts the customer to buy Chatime's product. However, the customers are not really loyal to Chatime by viewing resistance level to competitor product. Chatime has already implements membership program with the aim to managing their relationship with the customer, however the influence of membership program is not really known on customer's loyalty by considering the different result of previous works.*

*This study aims to examine whether membership program affects customer's loyalty at Chatime Bandung. The data conducted by distributing questionnaire to 397 of respondents by applying accidental sampling.*

*This study resulting value equity of membership program and referral of customer's loyalty variable rated low by the customer. In the other hand, there is the influence of membership program on customer's loyalty of Chatime's customer significantly. However, membership program is not able explains customer's loyalty completely.*

*This study contribution is additional reference about membership program evaluation and the level of customer's loyalty, and the influence of membership program on customer's loyalty, with study case at Chatime Bandung.*

*Therefore, in the next study should be testing another variable which is thought to be influential on customer's loyalty and testing membership program at another object to see the consistency. Value improvement is important created by Chatime by giving special room for the member.*

*Keywords: customer's loyalty, membership program, referral, and value equity.*