

ABSTRACT

The development of revolution 4.0 always urges change in a positive direction, the results of the changes have an impact on all life activities. Indomaret is a business engaged in large-scale retail, this minimarket franchise network provides a variety of daily needs. A stable and relatively growing retail business also requires a strategy to be able to maintain and expand a company's brand in the market. In the midst of many competitors, consumers are more flexible in choosing retail outlets that are believed to be able to provide more satisfaction to consumers, so the company must provide the right service strategy. This study aims to determine how the effect of service quality and customer satisfaction on customer loyalty to Indomaret consumers in DKI Jakarta..

The method in this study is a quantitative method using descriptive analysis along with Structural Equation Modeling (SEM) analysis techniques through Full Version of SmartPLS 3.2.9 software. The use of samples was determined based on the non-probability sampling technique with a purposive sampling approach of 385 respondents.

Based on the results of descriptive analysis, service quality variables have a value of 84.8% so that it is included in the very good category. The customer satisfaction variable has a value of 84.5% so it is also included in the very good category. While the customer loyalty variable is in the good category with a value of 83%.

Judging from the results of the study it can be concluded that the results of the hypothesis test show, service quality has a positive and significant effect on customer satisfaction. Customer satisfaction has a positive and significant effect on customer loyalty. Service quality also has a positive and significant effect on customer loyalty. And service quality has a positive and significant influence on customer loyalty which is partially mediated through customer satisfaction.

Keywords: *Service quality, customer satisfaction, customer loyalty.*