# Analysis of Factors Affecting Customer Loyalty on CV Riau Building Pekanbaru

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# Analysis of Factors Affecting Customer Loyalty on CV Riau Building Pekanbaru

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## ABSTRACT

This study aims to partially and simultaneously analyze the effect of customer satisfaction, product quality, and price on customer loyalty at CV Riau Bangunan Pekanbaru. This study uses multiple linear regression analysis using the SPSS version 21 application, with a sample of 100 customers at CV Riau Bangunan Pekanbaru. The results of the research overall variable customer satisfaction and product quality affect customer loyalty at CV Riau Bangunan Pekanbaru. At the same time, price has a negative effect on customer loyalty at CV Riau Bangunan Pekanbaru. Customer satisfaction, product quality, and price have contributed 81.7% to the customer loyalty variable, although there is still an 18.3% influence on other factors not included in the study.

**Keywords:** Customer Satisfaction, Product Quality, Price, Customer Loyalty

## INTRODUCTION

In general, the building materials business in Pekanbaru is experiencing quite good development (Imron et al., 2024). A number of building materials companies are competing to create competitive strategies (Marillo et al., 2024) to attract as many customers as possible to increase the marketing volume of their products. For this reason, CV Riau Gedung, whose address is Jalan Rimbo Panjang, Pekanbaru, is a company engaged in the marketing of building materials which provides various building materials that are ready to be distributed to every building materials shop and construction company (developer) which requires building materials in particular. in the Pekanbaru City area. To be able to take advantage of this promising business opportunity, CV Riau Gedung provides a choice of products with adequate quality (Sofyan et al., 2023) building materials and guarantees so that the loyalty of each customer, both from individuals, small building shops, and development companies (developers) increases because the product criteria needed can be achieved fulfilled (Alfat, 2024).

Customer loyalty (Diallo et al., 2018; Fida et al., 2020; Lemy et al., 2019) is formed because of the customer's desire to maintain cooperative relationships by repeatedly using the company's products. This is in accordance with Lovelock and Wright's statement in Jasfar (2012: 16), which states that customer loyalty is a customer's willingness to continue to subscribe to a company in the long term by buying and using its goods or services (Hidayat et al., 2022; Saputro et al., 2022) repeatedly, and by voluntarily recommending it. goods or services of the company to his relatives.

However, in reality, the efforts made by CV Riau Gedung to increase customer loyalty are still not running optimally; even in the current conditions of maintaining customer loyalty, CV Riau Gedung is not going well. This can be seen from target data and sales turnover, which tends to be unstable; even in the last year, it has experienced a decline and indicates that customer loyalty to CV Riau Gedung is declining.

Customer satisfaction (Irawan et al., 2023; Suhardjo et al., 2023; Suyono et al., 2023) is an important factor that service provider companies must consider because satisfaction can form customer loyalty towards using the service. Kotler and Armstrong (2012:44) state that customer loyalty can be built through customer satisfaction. Companies need to organize marketing strategies to increase customer satisfaction so that customers are interested (Goh et al., 2022) in the products offered. If the product satisfies customers, customers will remain loyal to using the product and try to limit purchases of other products. Meanwhile, according to the results of previous research conducted by Oktini (2019), it is stated that the dominant variable influencing

stomer loyalty in this research is customer satisfaction. However, this is different from the findings from research conducted by Pahlevi (2014), that the partial satisfaction variable has no effect on consumer loyalty.

Product quality is the product's ability to demonstrate various functions including durability, reliability, accuracy, and ease of use (Kotler & Armstrong, 2013: 128). Judging from the results of research conducted by Suroso (2015), the higher the level of quality, the higher the level of loyalty felt by consumers; with the high satisfaction felt by consumers, consumers will recommend the product to other people. In contrast to the research results obtained by Elda Jayanti (2018), customer satisfaction and there is no significant influence between brand image (Amin et al., 2023; Amin & Wijaya, 2024; Purba et al., 2023) variables and customer loyalty.

Based on the different characteristics of customers and always having careful behavior (Setyowati et al., 2023) to obtain a product or service that meets their expectations, it can be seen in customer behavior in determining prices because the price offered by a company may not necessarily meet the needs and desires of its customers. Price is the amount of money charged for a product or service or the value (Purnama et al., 2024) exchanged by customers to obtain benefits from owning or using a product or service (Kotler and Armstrong (2012: 324). Therefore, before the company issues a price for its product, it must understand consumer behavior to purchase a product because price is one of the determining factors in customer loyalty. This was research conducted by Nurlaili (2013), which resulted in price being a factor that significantly influences consumer loyalty. The findings from research conducted by Lindung Bulan (2016) show the results of his research that the price variable has a negative and significant effect on consumer loyalty.

## LITERATURE REVIEW

### Customer loyalty

The attitudinal approach creates customer loyalty from psychological involvement, favorites, and a sense of goodwill towards certain services. According to Adelia (2011:24), in a business context, loyalty describes a customer's willingness to continue to subscribe to a company in the long term by purchasing and using goods and services repeatedly, preferably exclusively, and voluntarily recommending the company's products. it to his friends.

According to Nurmansyah (2018:271), loyalty can generally be defined as customer loyalty to a product, whether in the form of certain goods or services. Then Tjiptono (2015: 110) stated that consumer loyalty is a customer's commitment (Rafa'i et al., 2023) to a brand, shop, or supplier based on positive characteristics in long-term purchases. From this understanding, it can be interpreted that brand loyalty is obtained due to a combination of satisfaction and complaints. Meanwhile, customer satisfaction comes from how much the company performs to create satisfaction by minimizing complaints so that consumers make long-term purchases.

According to Widing et al. in Tjiptono (2015: 75), customer loyalty factors are as follows: (1) Price value, consumers will have a loyal attitude for a long time. Therefore, the company must be responsible for maintaining the brand. In order to be successful in marketing the goods or services produced, every company must set prices well and appropriately. (2) To meet consumers' daily needs, product quality cannot be separated from the need for product quality in accordance with consumer expectations and desires. (3) Assortment, is the number of various product categories, product variations, and number of brands in the product category. the same, and the number of different items offered by the store will cause consumer loyalty to be formed to start purchasing the product. (4) Store Brands, both from the personality and reputation of the company brand. The company's Store Brands started with consumer awareness. A company that has a good image will create consumer loyalty to the brand. (5) Comfort and convenience: In this situation, which is full of pressure and market demand, which demands convenience, companies must provide products that are comfortable and easy to obtain. (6) Quality Service: Service quality (Nasution et al., 2022; Suyono et al., 2022) is the expected level of excellence and control over the level of excellence provided to fulfill customer desires. The good quality of service offered by the company can influence consumer loyalty to the brand. (7) Consumer Satisfaction (Chandra et al., 2023): Consumer satisfaction can be seen from what consumers show after a product or service has been used; consumers' expectations should be met.

According to Robert, Varki, and Bord in Nurmansyah (2018:275), the ultimate goal is the company's success in establishing customer relationships to form strong loyalty. Indicators of strong loyalty are: (1) Say positive things about the product that has been consumed. (2) Recommend friends, recommend products consumed by friends. (3) Continue purchasing, continuous purchasing of products that have been consumed.

Indicators of customer loyalty, according to Kotler and Keller (2012: 57), include: (1) Repeat Purchase (Loyalty to product purchases). (2) Retention (Resistance to negative influences regarding the company). (3) Referrals (Referring to the total existence of the company).

## Customer Satisfaction

According to Kotler and Keller (2012: 177), customer satisfaction is a person's happiness or disappointment that arises after comparing the performance or expected results. Then, according to Tjiptono (2014: 146), customer satisfaction is a person's happiness or disappointment that arises after comparing perceptions of a product's performance (results) with their expectations.

Apart from that, Daryanto (2014:43) said that customer satisfaction is an emotional assessment of the customer after the customer uses a product where the customer's expectations and needs are met.

Maintaining customer satisfaction over time will foster good relationships with customers. This can increase business profits in the long term. According to Zeithmal and Bitner in Jasfar (2012: 20), five factors can influence customer satisfaction, as follows: (1) Aspects of goods and services, customer satisfaction with goods or services is significantly influenced by customer assessments of the features of goods and services. (2) Aspects of customer emotions, emotions or feelings from customers can influence their perception regarding the level of satisfaction with goods and services. These emotions are related to mood. When a customer is experiencing a happy mood, his emotions will influence a positive perception of the quality of the service consumed. (3) Aspects of the influence of service success or failure: Customers are sometimes surprised by the results of a service, which can be better or worse than expected. (4) Aspects of perception of equality or fairness, customers will ask themselves. (5) Other customers, family, and co-workers, customer satisfaction is also influenced by other people.

Indicators of customer satisfaction, according to Fornell in Nurmansyah (2018:244), state that three important aspects need to be studied in measuring customer satisfaction, namely: (1) Overall satisfaction, namely measuring the level of customer satisfaction with the use of all products or services from the company. (2) Confirmation of expectations, namely the level of conformity between performance and expectations. (3) Comparison with the ideal situation (comparison to ideal), namely product performance compared with the ideal product according to consumer or customer perception.

## Product Quality

Product quality is the most basic capability, where consumers hope to fulfill their needs and desires through a product. So, fulfilling these needs and desires is closely related to product quality. In the consumer's view, quality has characteristics that vary from one consumer to another.

According to Nurmansyah (2018: 122), product quality is the ability of a product to carry out its duties, which includes durability, reliability, strength, ease of use, product repair, and other characteristics. According to Kotler and Armstrong (2014: 11), product quality is the ability of a product to perform its function; this includes overall durability, reliability, accuracy, ease of operation, and product repair, as well as other product attributes. Apart from that, Tjiptono (2015: 121) stated that the conventional definition of quality is a direct description of a product, such as performance, reliability, ease of use, aesthetics, etc. In the strategic definition, quality is anything that can fulfill the desires or needs of customers (meeting the needs of consumers).

Product quality is usually the first consideration for consumers when purchasing a product. According to Lamb and Hair in Nurmansyah (2018:124), the factors considered in determining product quality are: (1) Reliability. (2) Durability (endurance). (3) Easy Maintenance (easy to repair). (4) Easy of Use (easy to use). (5) Low Price (cheap price)

According to Tjiptono in Firmansyah (2019:16-17), product quality indicators identify eight dimensions of product quality, namely as follows: (1) Performance, the main operating characteristics of the core product purchased, for example, speed, fuel consumption, number of passengers that can be carried, ease and comfort in driving, and so on. (2) Additional Features, namely secondary or complementary characteristics,

for example, interior and exterior equipment such as dashboard, AC, sound system, door lock system, power steering, etc. (3) Reliability, namely the small possibility that it will be damaged or fail to use. For example, the car doesn't often stall/get stuck/freak/break down. (4) Conformance to specifications, namely the extent to which the design and operation characteristics meet previously established standards. For example, safety and emission standards are met, such as the axle size for trucks must be larger than for sedans. (5) Durability, related to how long the product can continue to be used. This dimension includes the technical life and economic life of the car. (6) Aesthetics, namely the product's appeal to the five senses, for example, the attractive physical shape of the car, artistic model/design, color, and so on. (7) Perceived quality is the consumer's perception of a product's overall quality or superiority. Usually, due to the buyer's lack of knowledge about the attributes or characteristics of the product to be purchased, the buyer perceives its quality from price, brand name, advertising, company reputation, and country of manufacture. (8) Dimensions of ease of repair (Service capability), including speed, convenience, and satisfactory handling of complaints. The services provided are not limited to just before sales but also during the sales process to after-sales, which includes repair services and availability of required components.

## Price

Price is the amount of money charged for a product or service or the value exchanged by customers to obtain benefits from owning or using a product or service Kotler and Armstrong (2012:324). Meanwhile, according to Private (2010: 147), price is the amount of money (plus several products if possible) needed to get a combination of goods and services. According to Kotler and Keller (2012:26), price is one of the elements of the marketing (Adrian et al., 2022) mix that generates revenue; price is the easiest element in a marketing program to adjust; product features, channels, and even communication require more time. Price is an element of the marketing mix that can generate income through sales. Therefore, companies must be able to set prices for their products well and appropriately so that consumers are interested and willing to buy the products offered so that the company makes a profit.

Price Indicators According to Kotler and Armstrong (2012: 78), in the price variable, there are several elements of main price activities, which include price levels, discounts, discounts, payment periods, and credit terms. Four indicators characterize prices: (1) Price Affordability: Consumers can reach the company's price. There are usually several types of products in one brand; the prices also differ from the cheapest to the most expensive. (2) Price conformity to product quality. Often used as an indicator of quality for consumers, people often choose the higher price between two goods because they see a difference in quality. People tend to think the quality is also better if the price is higher. (3) Suitability of price to consumer benefits. Deciding to buy a product if the perceived benefits are greater than or equal to what has been spent to get it. If consumers feel the product benefits are smaller than the money spent, consumers will think that the product is expensive and will think twice about making a repeat purchase. (4) Price according to ability or competitiveness. Consumers often compare the price of a product with other products. In this case, whether a product is expensive or cheap is really considered by consumers when buying the product.

## Framework

A research framework has been prepared to facilitate understanding of the entire series of research. This research consists of one independent variable and one dependent variable, which can be seen in the chart as shown below:
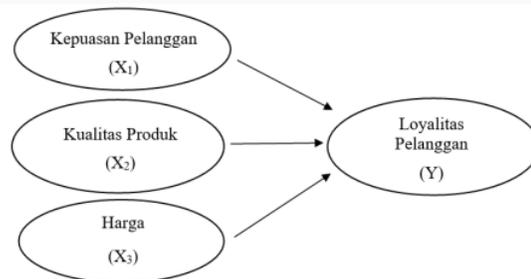


**Figure 1. Framework**

## METHODOLOGY

### Population and sample

According to Arikunto (2013:173), the population is the totality of research subjects. So, what is meant by population is individuals with the same characteristics even though the percentage of similarities is small, or in other words, all individuals who will be used as research objects. As for the population in this study, the number of customers from CV Riau Gedung is uncertain.

According to Arikunto (2013: 174), the sample is a part or representative of the population studied. If the population is large and the research is not possible to study everything in the population. The sampling technique based on research needs based on certain considerations. This sample is referred to as purposive sampling. In the book Research Methods for Business, Roscoe provides suggestions regarding sample size for research: (1) An appropriate sample size in research is between 30 and 500. (2) If the sample is divided into categories (for example, male-female, civil-private employees, and others), then the minimum number of sample members for each category is 30. (3) If the research will conduct multivariate analysis (correlation or multiple regression, for example), then the number of sample members must be at least ten times the number of variables studied. For example, if there are five research variables (independent+dependent), the number of sample members = 10 x 5 = 50. (Sugiyono, 2017:133). Based on Roscoe's calculations, the sample in this study is: = 10 x (dependent variable) = 10 x (1+3) = 10x 4 = 40. According to Roscow, it was decided to take as many samples as 100 respondents based on the basic considerations of the sample calculation.

### Data Analysis Techniques

### Validity test

The questionnaire validity test is used to find out how carefully an item measures what it wants to measure in the questionnaire. Items can be said to be valid. According to Sugiyono (2017:121), a valid instrument means that the measuring instrument used to obtain data (measure) is valid. Valid means that the instrument can measure what it is supposed to. A valid meter can be used to measure length accurately because a meter is a tool for measuring length. The meter becomes invalid if it is used to measure weight.

In this study, the author used Corrected Item Total Correlation Analysis. The validity test was carried out by comparing the calculated r value with the r table for a significance level of 5 percent ($\alpha = 0.05$) with a degree of freedom (df) = n-2. If the value is positive and r count > r table, the item can be declared valid; if r count < r table, the item is declared invalid.

### Reliability Test

This test aims to determine the extent to which measuring data provides relatively consistent results when repeated measurements are carried out on the same subject. The function of the reliability test is to determine the extent of the condition of the measuring instrument or questionnaire. Reliability testing relates to how precisely a measuring instrument can be relied upon. A high level of consistency characterizes a research instrument with a high-reliability level. According to Ghozali (2012:64), reliability can be considered trustworthy. A reliable instrument means that it will produce the same data if used several times to measure the same object. Reliability can be calculated using Cronbach's Alpha formula in the range of 0.6 is acceptable; above 0.07 is good (Sugiyono, 2017:11).

### Classic assumption test

### Normality test

The normality test aims to test whether the confounding or residual variables have a normal distribution in the regression model. As is known, the t and F tests assume that the residual values follow a normal distribution. If this assumption is violated, the statistical test becomes invalid for a small sample size. Normality detection can be done by looking at the histogram or Normal P-plot of the Regression Standardized Residual graph by looking at the distribution of the diagonal axis data or the normal graph. The basis for making this testing decision includes:

Suppose the data spreads around the diagonal line and follows the direction of the line, showing a normal distribution pattern. In that case, the regression model meets the normality assumption. Suppose the data spreads far from the diagonal line or does not change the direction of the diagonal line. In that case, it does not

show a normal distribution pattern, so the regression model does not meet the normality assumption (Ghozali, 2012:160). Normality testing can also be done using the Kolmogorov-Smirnov Test. If the probability significance level is > 0.05, then the research data is normally distributed (Ghozali, 2012: 164).

**Multicollinearity Test**

The multicollinearity test tests whether the regression model finds a correlation between independent variables. A good regression model should have no correlation between independent variables. If independent variables are correlated, then these variables are not orthogonal. Orthogonal variables are independent variables whose correlation value between independent variables equals zero. So, a low tolerance value is the same as a high VIF value (because VIF = 1/Tolerance). The cut-off value commonly used to indicate the presence of multicollinearity is a Tolerance value ≤ 0.10 or the same as a VIF value ≥ 10. Each researcher must determine the level of coloniality that can still be tolerated. If the VIF is less than ten and the tolerance value is more than 0.1, then the regression is free from multicollinearity (Ghozali, 2012: 105)

**Heteroscedasticity Test**

The heteroscedasticity test aims to test whether, in the regression model, there is an inequality of variance from the residuals of one observation to another. If the variance from the residual from one observation to another is constant, it is called homoscedasticity; if it is different, it is called heteroscedasticity. According to Ghozali (2012:142), one way to detect whether heteroscedasticity is present is to carry out the Glejser test. The Glejser test proposes regressing the residual's absolute value against the independent variable. Probability results are significant if the significance value exceeds the 5% confidence level.

**Multiple Linear Regression Equations**

To see the influence of two or more independent variables on the dependent variable, hypothesis testing is carried out using multiple linear regression analysis (multi-regression). The analytical method used is a multiple linear regression model.

According to Sugiyono (2017:277), multiple linear regression analysis aims to predict the condition (up and down) of the dependent variable (criterium), if two or more independent variables as predictor factors are manipulated (increasing and decreasing their values). So, multiple regression analysis will be carried out if the number of independent variables is at least 2. The multiple linear regression equation determined is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

**F Test (Simultaneous Test)**

According to Ghozali (2012:98), the f statistical test is also called the simultaneous significance test. This test shows whether all the independent or independent variables included in the model have a joint influence on the dependent/dependent variable. The calculated F value from the results of considerations using the formula above is then compared with the Ftable or f obtained using a risk level of 0.05 and degree of freedom (df =n-k-1).

The F test calculation results are compared with Ftable with the following criteria: (a) If Fcount> Ftable at a=0.05, or PValue (sig)<a, then H0 is rejected, and H1 is accepted (has influence). (2) If Fcount < Ftable at a = 0.05, or P Value (sig) > a then H0 is accepted and H1 is rejected (has an effect)

**Coefficient of Determination (R2)**

Sanusi (2014: 136) states that the coefficient of determination (R2) is often also called the multiple coefficients of determination, which is almost the same as the R2 coefficient. R is also almost similar to r but are different functions (except simple linear regression). R2 explains the proportion of variation in the dependent variable (Y) that is explained by the independent variables (more than one variable: Xi; i = 1, 2, 3, 4, k) together. Meanwhile, r2 measures the goodness-of-fit of the regression equation, giving the percentage of total variation in the dependent variable (Y) explained by only one independent variable (X).

Furthermore, r is a correlation coefficient that explains the closeness of the linear relationship between two variables; its value can be negative or positive. Meanwhile, R is a compound correlation coefficient that measures the level of relationship between the dependent variable (Y) and all independent variables that are explained together, and its value is always positive.

**T-test**

According to Priyatno (2017:164), this test was carried out to determine each independent variable's influence on the dependent variable. Is the effect significant or not? To determine whether it is significant, the calculated t number will be compared with the table. The t test is carried out by looking at the following conditions: (a) If t count > t table, then Ho is rejected, Ha is accepted, meaning there is a significant influence of the dependent variable. (b) If t count <t table, Ho is accepted, then Hadito is rejected, meaning there is no significant influence of the independent variable on the dependent variable.

## RESULTS AND DISCUSSION

The data processed in this research originates from 100 respondents, all customers at CV Riau Gedung in Pekanbaru. The questionnaire distributed consists of statements, and the variables to be studied are customer satisfaction (X1), product quality (X2), price (X3), and customer loyalty as a variable (Y).

**Variable Description**

Descriptive variables in this research describe findings in the field, which are presented in table form and are grouped into groups consisting of statements on each variable indicator.

It can be explained that the customer satisfaction variable at CV Riau Gedung Pekanbaru is good. This can be seen from the highest average score obtained, which is 3.85, meaning that customer satisfaction in terms of the services provided by CV Riau Gedung Pekanbaru can be felt by customers well, while the lowest score obtained is at an average value of 3. 31 means that CV Riau Gedung Pekanbaru is unable to provide optimal quality and reliability in the building material products offered. The average score of all these variables is 3.56, which indicates that the customer satisfaction variable is a variable that is considered good by respondents in the research.

It can be explained that the product quality variables at CV Riau Gedung Pekanbaru are good. This can be seen from the highest average score obtained at 3.94, meaning that the quality of the product in terms of building materials offered has a wide selection of well-known brands and is good at meeting customer expectations, while the lowest score obtained is at an average value of 3 .27 means that CV Riau Gedung Pekanbaru lacks building material products that provide perfect building results. The average score of all these variables is 3.60, which indicates that the product quality variable is a variable that is considered good by the respondents in this study.

It can be explained that the price variables at CV Riau Gedung Pekanbaru are good. This can be seen from the highest average score obtained, which is 3.65, meaning that the price in terms of building material products for accessories offered by CV Riau Gedung Pekanbaru is quite affordable for customers, while the lowest score obtained is at an average value of 3 .35 means that CV Riau Gedung Pekanbaru does not understand tell the building material products for accessories offered which do not provide optimal benefits for customers. The average score of all these variables is 3.50, which indicates that the price variable is a variable that is assessed as good by respondents in this study.

It can be explained that the customer loyalty variable at CV Riau Gedung Pekanbaru is good. This can be seen from the highest average score obtained, which is 3.64, meaning customer loyalty in terms of customers being willing to tell other people about their experiences because they are satisfied buying building material products at CV Riau. In contrast, the lowest score obtained is an average value of 3.32, which means that CV Riau Gedung Pekanbaru has not optimally made customers willing to tell other people about the advantages of the building material products offered. The average score of all these variables is 3.48, which indicates that the customer loyalty variable is a variable that was considered good by respondents in this study.

**Variable Validity Test**

The results of validity testing show that the correlation values for all variable statements of customer satisfaction (X1), product quality (X2), price (X3), and customer loyalty (Y) are declared valid. This shows that all questions used to measure all variables have been understood, along with the correlation values compared to the r table. Data (n-2) = (100-2) = 98, then the r table is 0.196, so all these items are declared valid.

**Variable Reliability Test**

From the results of the reliability test for all the questions above, it is said to be reliable and successful because the variables measured produce Cronbach's Alpha values of 0.911, 0.852, 0.902, and 0.865, so all the items from the statements for each variable are declared to be completely reliable because the reliability coefficient value is more than 0.6.

**Classic assumption test**

**Normality test**

Table 1. Normality Test Results

|  | Unstandardized Residuals |
|---|---|
| N | 100 |
| Kolmogorov-Smirnov Z | 0,687 |
| Asymp. Sig. (2-tailed) | 0,733 |

It is known that the significant value (Sig) of the customer satisfaction (X1), product quality (X2), and price (X3) variables is greater than 0.05. This shows that it is significant (Sig) > 0.05 or 0.733 > 0.05, meaning that the research data is normally distributed.

**Heteroscedasticity Test**

Table 2. Heteroscedasticity Test Results

| Variable | Sig. |
|---|---|
| Customer satisfaction | 1,000 |
| Product Quality | 1,000 |
| Price | 1,000 |

It is known that the significant value (Sig) of the variable's customer satisfaction, product quality, and price is greater than 0.05. This shows that the significance (Sig) of 1,000 and 1,000 is > 0.05, meaning that the research data does not have symptoms of heteroscedasticity in the regression model.

**Multicollinearity Test**

Table 3. Multicollinearity Test Results

| Variable | Tolerance | VIF |
|---|---|---|
| Customer satisfaction | 0,215 | 4,658 |
| Product Quality | 0,171 | 5,831 |
| Price | 0,255 | 3,914 |

It is known that the Tolerance value for customer satisfaction variables, product quality, and price is greater than 0.10, and the VIF value is smaller than 10.00. This shows that there is no multicollinearity in the research data.

**Multiple Linear Regression Analysis**

Table 4. Simple Linear Regression Values

| Model/Variable | Unstandardized Coefficients (B) |
|---|---|
| (Constant) | 2,947 |
| Customer satisfaction | 0,497 |
| Product Quality | 0,319 |
| Price | -0,041 |

So, the constants of the equation above are as follows: (1) It is known that the constant is 2.947. This means that if customer loyalty is 0, customer satisfaction, product quality, and price are 2.402. (2) The regression coefficient for the customer satisfaction variable is 0.497. This means that if customer satisfaction

increases by one unit, customer loyalty will increase by 0.497 units, assuming the other independent variables are fixed. (3) The regression coefficient for the product quality variable is 0.319. If product quality increases by one unit, customer loyalty will increase by 0.29 units, assuming the other independent variables are constant. (4) The price variable regression coefficient is -0.041; if the price decreases by one unit, customer loyalty will decrease by -0.041 units, assuming the other independent variables are fixed.

**F test**

**Table 5. F Test Results**

|   | Model | F | Sig. |
|---|---|---|---|
|   | Regression | 143,092 | 0,000$^b$ |
| 1 | Residual |   |   |
|   | Total |   |   |

It is known that the value of fcount is greater than ftable with a significance level of 0.000. This shows that fcount > ftable (143.092 > 2.700) or significant probability < 0.05, then H0 is rejected, and H1 is accepted.

**Coefficient Determination**

**Table 6. Coefficient Determination**

| Adjusted R Square | Std. Error of the Estimate |
|---|---|
| 0,817 | 1,43522 |

The Adjusted R Square figure was obtained at 0.817 (81.7%). This shows that the percentage contribution from the independent variables, namely the customer satisfaction variable (X1), product quality (X2), and price (X3) to the customer loyalty variable (Y) is 81.7%, and the remaining 18.3% comes from the variable others not included in this study.

**T-test**

**Table 7. T-test Results**

| Model/Variable | t | Sig. |
|---|---|---|
| (Constant) | 2,687 | 0,009 |
| Customer satisfaction | 6,008 | 0,000 |
| Product Quality | 3,857 | 0,013 |
| Price | -0,532 | 0,596 |

It is known that the t value of customer satisfaction (X1) and product quality (X2) is partially greater than t table. This shows that tcount > ttable or significant probability < 0.05, then H0 is rejected, and H1 is accepted. However, the price variable (X3) shows that tcount < ttable or significant probability > 0.05, then H0 is accepted, and H1 is rejected. So: (1) Customer satisfaction with a value of tcount (6.008) > significant (0.000◊ttable (1.660) < 0.05. Because the value of tcount > ttable (6.008 > 1.660), H1 is accepted, meaning that there is a significant influence on customer satisfaction (X1) on the customer loyalty variable (Y). (2) Product quality with a value of tcount 3.857) > significant (0.000◊ttable (1.660) < 0.05. Because the value of tcount > ttable (3.857 > 1.660), H1 is accepted, meaning that there is a significant influence on the product quality variable (X2) on the customer loyalty variable (Y). (3) Price with a value of tcount (-0.532) < not significant (-0.596◊ttable (1.660) > 0.05. Because the value of tcount < ttable (-0.532 > 1.660), H1 is rejected, meaning that there is no significant influence on the price variable (X3) on the customer loyalty variable (Y)

Based on the information on the research results of the multiple linear regression test above, H0 is rejected, and H1 is accepted for the customer satisfaction (X1) and product quality (X2) variables. In contrast, the opposite is true for the price variable (X3). This means that there is a partially significant influence on customer loyalty in research regarding the influence of customer satisfaction and product quality. The price variable does not have a partially significant influence on customer loyalty.

**Discussion**

**The Influence of Customer Satisfaction on Customer Loyalty**

The influence of customer satisfaction in this research is supported by several indicators, including overall satisfaction, confirmation of expectations, and comparison with the ideal situation; however, the overall

satisfaction indicator is the indicator that has the lowest value of the three existing indicators. this is due to the quality and reliability of the product. The building materials offered by CV Riau Gedung Pekanbaru have not shown that customers can experience optimal overall satisfaction. However, overall, it has been able to positively influence customer loyalty, as proven by the t-test results that there is a significant influence on customer satisfaction on the customer loyalty variable.

The results of this research are also supported by research conducted by Pritandhari (2015), which states that customer satisfaction positively affects customer loyalty, and Baharudin (2015) shows that satisfaction significantly affects customer loyalty. In this case, it shows that customer satisfaction is one of the main things in achieving customer loyalty, where customer loyalty is customer loyalty to a good or service by continuously repurchasing the good or service.

### The Influence of Product Quality on Customer Loyalty

Several indicators, including performance, additional features, reliability, conformance to specifications, durability, aesthetics, and perceived quality, support price variables' influence on customer loyalty. quality), and dimensions of ease of repair (serviceability). the performance indicator is the indicator that has the lowest value of the eight existing indicators; this is because customers still hope that future product quality can provide perfect building results for customers. However, overall, it has positively influenced customer loyalty, as proven by the t-test results that there is a significant influence on product quality on the customer loyalty variable.

The results of this research are also supported by research conducted by Adiwijaya (2018) that product/food quality influences but is not dominant in customer loyalty, and according to Suroso (2015), the higher the level of quality, the higher the level of loyalty felt by customers, with the higher the level of product quality perceived by customers, the more loyal customers will be.

### The Effect of Price on Customer Loyalty

Several indicators, including price affordability, price suitability to product quality, consumer benefits, and price suitability or competitiveness, support price variables' influence on customer loyalty. Based on the four existing indicators, the suitability of price to benefits is the indicator that has the lowest value; this is because some customers feel that the prices of building material products for accessories offered by CV Riau Gedung Pekanbaru are not in accordance with the benefits for customers; thus the consequences that arise has an overall impact on the price variable so that the price variable cannot have a positive influence on customer loyalty as evidenced by the results of the t-test that there is no significant influence on price on the customer loyalty variable.

The results of this research are also supported by research conducted by Lindung Bulan (2016), showing the results of his research that the price variable has a negative and significant effect on consumer loyalty. Buyers compare the prices of several alternatives and then decide on the desired allocation of funds. If there is no match between goods and prices, it will not create consumer satisfaction and consumer loyalty.

## CONCLUSION

### Conclusion

Based on the results of data analysis and discussion in this research regarding the analysis of factors that influence customer loyalty at CV Riau Gedung, the following conclusions can be drawn: (1) The customer satisfaction variable has a positive and significant effect on the customer loyalty variable at CV Riau Gedung, so that if the company can create better customer satisfaction, then consumers' tendency to exercise customer loyalty will increase significantly. (2) The product quality variable positively and significantly affects the customer loyalty variable at CV Riau Gedung, if the company can provide better product quality, the consumer's tendency to exercise customer loyalty will increase significantly. (3) The price variable has a negative and insignificant effect on the customer loyalty variable at CV Riau Gedung, so if the company can provide better prices, the consumer's tendency to exercise customer loyalty will increase.

**Research Limitations**

The limitations of this research are the difficulty of distributing questionnaires in the midst of the current COVID-19 pandemic, which requires using electronic questionnaires such as Google Forms. Still, not all respondents want to fill out questionnaires using Google Forms. Hence, the researchers distributed the questionnaires directly to respondents. and in the process of distributing questionnaires, the author faced the obstacle that the data collection time through distributed questionnaires was inefficient and seemed slow.

**Suggestion**

Based on the results of data analysis and discussion in this research regarding the analysis of factors that influence customer loyalty at CV Riau Gedung, what researchers can suggest is as follows: (1) It is hoped that CV Riau Gedung should be able to respond to follow-up actions in implementing increases in satisfaction consumers, especially in optimizing the quality and reliability of the building material products offered, have not shown customers so that customers can feel overall satisfaction so that customer loyalty will continue to increase. (2) It is also hoped that CV Riau Gedung can make product quality variables an obstacle in marketing existing products by creating new strategies to maximize the availability of quality products to provide more perfect building results so that loyalty customers will be able to continue to increase. (2) Apart from that, it is hoped that the leadership (Pramesti & Renaldo, 2023) of CV Riau Gedung can pay more attention to the price offered to customers, especially on the suitability of price to the use of the product in meeting customer expectations, so that customer loyalty will continue to increase and continue to grow and be higher at CV Riau Gedung. (3) For other researchers, it is hoped that the results of this research can provide a treasure trove as a reference for similar research by using programs like research from (Effendy & Gusrianty, 2024; Nazara & Nasien, 2024).

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