
**THE EFFECT OF SERVICE QUALITY, CONVENIENCE, PRICE,
PRODUCT QUALITY, ON SATISFACTION AND CUSTOMER LOYALTY
FUNDING PT BANK MANDIRI IN SURABAYA**

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Abstract

The purpose of this study was to determine the effect of service quality, convenience, price, and product quality on customer satisfaction and customer loyalty. This type of research is an explanatory research. The sample in this study is Bank Mandiri Funding customers in Surabaya as many as 140 respondents using convenience sampling technique. The analysis technique in this study uses Partial Least Square (PLS) analysis. The results of the analysis in this study the ease and quality of the product have a significant effect on customer satisfaction. Meanwhile, service quality and price have no significant effect on customer satisfaction. Then also obtained the results that service quality, convenience, price, and product quality have a significant effect on customer loyalty, then customer satisfaction also has a significant effect on customer loyalty.

Keywords: Service Quality, Convenience, Price, Product Quality, Customer Satisfaction, Customer Loyalty

1. Background

Due to the increasing dominance of the banking service sector, the more competitive the banking industry today is, the direct impact of this condition makes customers want to master a lot of information. Experts say that companies that can survive in the market and win the competition are service-oriented companies. This development has an effect on competition in the banking industry to become increasingly tight and requires companies to look for opportunities to increase customer loyalty which is reflected in the profits achieved by the company. Consumer loyalty is a customer who makes continuous purchases, not only buying one product but also buying other products from the same business entity and recommending it to others and not being tempted by competitors (Griffin dalam Sudarso, 2016).

Customer loyalty is related to what customers do after interacting in a banking service process. Meanwhile, the concept of service quality has become a very dominant factor in the success of profit and non-profit organizations. Because if customers feel that the quality of service they receive is good or as expected, they will become loyal customers. This is the same as the findings of research conducted by Nasution (2017) which proves that service quality has a positive and significant effect on customer loyalty.

The creation of products with better value is called improving product quality. Product quality is the ability of a product to carry out its functions, including durability, reliability, accuracy, ease of operation, and repairs as well as other valuable attributes (Kotler and Keller, 2013:153). Competitive banking products must always be developed over time to meet customer wants and

needs so that they can meet sales and create satisfaction which will then trigger customers not to switch to other bank products. In the research journal Lestari and Yulianto (2018), it is proven that product quality has a significant influence on customer loyalty through customer satisfaction.

In addition, increasing the loyalty of a customer can also be done through increasing the satisfaction felt by each customer. Customers who are satisfied in using a product or service will continue to choose the provider of the product or service in the future as a form of customer loyalty which then forms a long-term relationship between customers and banks. In Nainggolan's research (2018), it is proven that customer satisfaction has a significant effect on customer loyalty so that it can be interpreted that the more satisfied customers are with certain services, the higher consumer loyalty to the product.

To create competitive banking products in addition to product quality and competitive pricing. Consumer perceptions of prices are referred to as price-consciousness, namely the level of consumer concern that pays more attention to payments at lower prices (Lichtenstein, Ridgway, and Netemeyer, 2013: 182). This is the same as the results of research found by Wibawa, Farida, and Listyorini (2014) that there is a positive and significant effect between price on satisfaction and loyalty.

2. Objective

- a. To determine the effect of service quality on customer satisfaction.
- b. To determine the effect of service quality on customer loyalty.
- c. To determine the effect of convenience on customer satisfaction.
- d. To determine the effect of convenience on customer loyalty.
- e. To determine the effect of price on customer satisfaction.
- f. To determine the effect of price on customer loyalty.
- g. To determine the effect of product quality on customer satisfaction.
- h. To determine the effect of product quality on customer loyalty.
- i. To determine the effect of customer satisfaction on customer loyalty.

3. Previous research

Here are some data from several studies related to Service Quality, Convenience, Price, Product Quality, Customer Satisfaction, Customer Loyalty.

Table: 2. Previous research

Researcher Name	Research Title	Finding
Kaura dan Sharma (2015)	Service Quality, Service Convenience, Price And Fairness, Customer Loyalty, And The Mediating Role Of Customer Satisfaction	<ol style="list-style-type: none"> 1. Service quality has a positive impact on customer satisfaction and customer loyalty 2. Price has a positive impact on customer satisfaction and customer loyalty 3. Convenience has a positive impact on customer satisfaction and customer loyalty
Sitorus dan Yustisia (2018)	The Influence Of Service Quality And Customer Trust Toward Customer Loyalty: The Role Of Customer Satisfaction	<ol style="list-style-type: none"> 1. Service quality has a significant positive effect on customer satisfaction 2. Customer trust has a significant and positive effect on customer satisfaction 3. Service quality has no significant positive effect on customer loyalty 4. Customer trust has a significant positive effect on customer loyalty 5. Customer satisfaction has a significant positive effect on customer loyalty.
Palma dan Andjarwati (2016)	Effect of Product Quality, Convenience, and Price on Repurchase Intention with Satisfaction as an Intervening Variable	<ol style="list-style-type: none"> 1. Product quality has a significant effect on satisfaction 2. Ease has a significant effect on satisfaction 3. Price has a significant effect on satisfaction 4. Ease has a significant effect on repurchase intention 5. Product quality, convenience, and price have an indirect effect on repurchase intention and through satisfaction as a mediating variable
Lee dan Moghavvemi (2015)	The Dimension of Service Quality and Its Impact on Customer Satisfaction, Trust, and Loyalty: A Case of Malaysian Banks	The results of this study indicate that the dimensions of tangibles, empathy, reliability, security, and online banking have a significant positive relationship with perceived value. The analysis shows that the variables of service quality, customer satisfaction, bank image and trust are important determinants of loyalty
Nurchahyo dan Ainy (2015)	The Role Of Customer Relationship Management On Customer Value And Service Quality In Improving Customer Satisfaction	The results of this study indicate that the goodness of fit results are good so that all hypotheses can be accepted. This shows that good Customer Relationship Management will increase customer value and service quality is also good. Meanwhile they will increase the level of satisfaction felt by customers. That customer satisfaction will temporarily increase customer value and service quality by customer relationship management
Sari (2018)	The Impact Of Marketing Mix On Customer Loyalty	<ol style="list-style-type: none"> 1. Marketing mix has a significant positive effect on satisfaction 2. Marketing mix has no significant positive effect on

Researcher Name	Research Title	Finding
	With Satisfaction And Trust Customer As Mediating Variable At Bank Syariah Mandiri At Situbondo	loyalty 3. Satisfaction has a significant positive effect on trust 4. Satisfaction has a significant positive effect on loyalty 5. Trust has a significant positive effect on loyalty
Rasmansyah (2017)	The effect of service quality and promotion to customer satisfaction and implication of customer loyalty in vehicle financing company in Jakarta Indonesia	The results showed that there was a significant simultaneous effect between service quality and loyalty promotion through customer satisfaction at PT Adira Dinamika Multi Finance Tbk
Gumelar (2014)	The Influence Services Quality, Promotion And Physical Evidence Against Customer Loyalty CV. Funtastic Tour And Travel	The results of the analysis prove that service quality does not affect customer loyalty, while the promotion variable has a positive effect on customer loyalty and the most dominant variable that positively affects customer loyalty is the physical evidence variable
Phi, Thanh, dan Viet (2018)	Effects of service quality on customer satisfaction and customer loyalty: A case of 4- and 5-star hotels in Ho Chi Minh City, Vietnam	The results of this research analysis are that customer loyalty is influenced by four dimensions of service quality (reliability, responsiveness, website utility, and physical evidence) and customer satisfaction; and customer satisfaction is influenced by five dimensions of service quality (reliability, responsiveness, website utility, physical evidence, and sympathy)
Sembiring, Suharyono, dan Kusumawati (2014)	The Effect of Product Quality and Service Quality on Customer Satisfaction in Forming Customer Loyalty (Study on McDonald's Customers MT.Haryono Malang)	1. Product quality has a significant effect on satisfaction 2. Service quality has a significant effect on customer satisfaction 3. Customer satisfaction has a significant effect on customer loyalty 4. Product quality has no significant effect on customer loyalty 5. Service quality has a significant effect on customer loyalty
Wibawa, Farida, dan Listyorini (2014)	The Influence of Service Quality, Price and Promotion on Customer Loyalty	1. Service quality has a positive and significant effect on satisfaction and loyalty 2. Price has a significant effect on satisfaction and loyalty 3. Promotion has a significant effect on satisfaction and

Researcher Name	Research Title	Finding
	through Customer Satisfaction PT. Matahari Silverindo Jaya Semarang	loyalty 4. Satisfaction has a significant effect on loyalty 5. Service quality, price and promotion to satisfaction together
Firdiyansyah (2017)	The Effect of Service Quality, Price, and Location on Customer Satisfaction at Warung Gubrak Kepri Mall Batam City	Service Quality, Price, and Location are proven to have a significant effect on the dependent variable of Customer Satisfaction partially and simultaneously
Lestari dan Yulianto (2018)	The effect of product quality on customer loyalty with customer satisfaction as a mediating variable	The results of the path analysis show that the product quality variable has a significant effect on customer satisfaction. Product quality variable has a significant effect on customer loyalty. Customer satisfaction variable has a significant effect on customer loyalty
Prabaningtyas dan Andjarwati (2014)	Effect of Service Quality, E-Factor and Ease of Customer Loyalty by Mediation of Customer Satisfaction	The results showed that there was a significant influence between service quality, e-factor, and convenience on customer satisfaction, service quality, e-factor, and convenience on customer loyalty, customer satisfaction on customer loyalty and service quality, e-factor, and convenience. on loyalty with satisfaction as a mediation in BTPN Nganjuk products brach
Nainggolan (2018)	Effect of Satisfaction, Trust and Ease of Customer Loyalty of PT Great Seasons Tours And Travel in Batam City	The results of the partial test can be concluded that satisfaction, trust and reduction of choices and habits have a significant effect on customer loyalty. The results showed that satisfaction, trust and reduced choice and trust simultaneously affect customer loyalty
Antika dan Andjarwati (2016)	The Effect of Ease and Emotional Factors on Word Of Mouth with Satisfaction as an Intervening Variable (Study on Olx Consumers in Surabaya)	1. There is a significant direct effect on convenience and emotional factors on customer satisfaction. 2. There is a significant direct effect of the variable convenience and customer satisfaction on word of mouth and there is no significant direct effect on the variable emotional factors on word of mouth
Hoe dan Mansori (2018)	The Effects of Product Quality on Customer Satisfaction and	The results of the analysis prove that Durability, Serviceability, Aesthetics, and Perceived Quality have a significant influence on Satisfaction. Meanwhile, Performance, Features, Reliability, and Conformance have

Researcher Name	Research Title	Finding
	Loyalty: Evidence from Malaysian Engineering Industry	no significant effect on Satisfaction. The results of the analysis in this study also proved that satisfaction has a significant effect on loyalty
Nasution (2017)	The Effect of Price and Service Quality on Customer Satisfaction and Loyalty Customer Waroeng Steak and Shake Medan	<ol style="list-style-type: none"> 1. Price has a positive and significant effect on customer satisfaction 2. Service quality has a positive and significant effect on customer satisfaction 3. Price and service quality simultaneously have a positive and significant effect on customer satisfaction 4. Price has a positive and significant effect. the influence of customer loyalty 5. Service quality has a positive and significant effect on customer loyalty 6. Price has a positive and significant effect on customer loyalty through customer satisfaction 7. Service quality has a positive and significant effect on loyalty through customer satisfaction

4. Theoretical Review

4.1 Service Quality

Quality of service, namely providing the perfection of services carried out by service providers in meeting the needs and desires of customers and the accuracy of delivery to balance customer expectations. Service quality is an important thing that must be considered and maximized in order to be able to survive and remain the choice of customers. According to Lupiyoadi (2013: 216) said that service quality is how far the difference between reality and customer expectations for the services they receive.

4.2 Convenience

According to Irawan (2002:39) in Antika and Andjarwati (2016), convenience is when it is relatively easy, comfortable, and efficient in getting a product or service. According to Davis et al., (1989) in Antika and Andjarwati (2016), ease of use is defined as the degree to which a person believes that the use of information technology is easy and does not require hard work from the wearer. Convenience will reduce the effort (both time and energy) of a person in using a product or service.

4.3 Price

Schiffman and Kanuk (2013: 182) state that consumer perceptions of prices, whether they tend to be high, low, or normal are influenced by purchase intensity and satisfaction with the purchase. Another opinion regarding the definition of price is also expressed by Tjiptono (2014: 142) who defines price as a monetary unit or other measure (including other goods and services) that are exchanged in order to obtain ownership rights or use of an item or service.

4.4 Product quality

According to Kotler and Armstrong (2016:11), product quality is the ability of a product to perform its functions, this includes overall durability, reliability, accuracy, ease of operation, and product repair, as well as other product attributes. Product quality is the ability of a product to carry out its functions, including durability, reliability, accuracy, ease of operation, and repairs as well as other valuable attributes (Kotler and Keller, 2013:153).

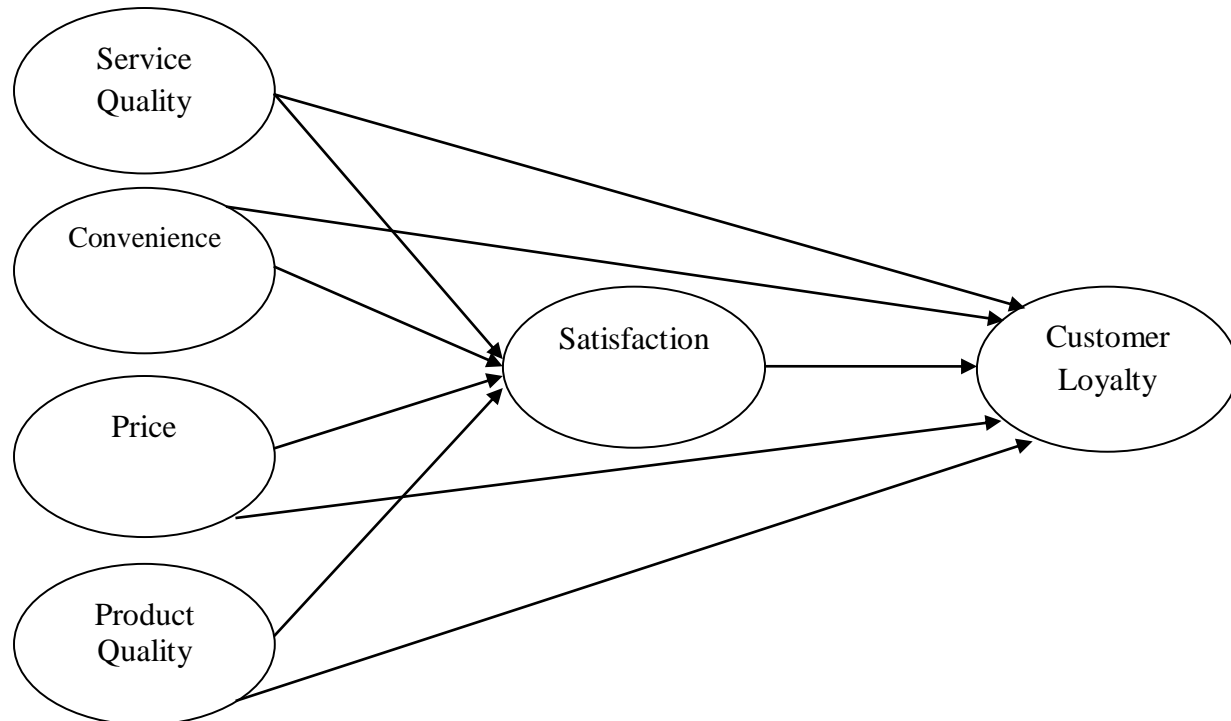
4.5 Satisfaction

Customer satisfaction is the level of perceived performance (results) compared to expectations. With intense competition in the banking system, customer satisfaction is becoming a more important issue in customer marketing (Mohsen, 2013). According to Tjiptono (2014: 34) satisfaction occurs when the needs or expectations are met through interactions between sellers and buyers.

4.6 Customer Loyalty

According to Griffin in Sudarso (2016:86), loyal customers are customers who make continuous purchases, not only buying one product but buying other products from the same business entity and recommending it to others and not being tempted by competitors.

5. Research Model



Gambar 1. Research Model

6. Research Method

6.1 Population and Sample

Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by the researcher to be studied and then draw conclusions (Sugiyono, 2016). The object of this research is Bank Mandiri in Surabaya, while the population is Bank Mandiri Customers in Surabaya.

The sample is part of the number and characteristics possessed by the population (Sugiyono, 2016). The sample size used is a multivariate type which refers to the sample measurement guidelines according to Hair, et al. in Ferdinand (2011) which uses 5-10 times the indicator variable. So this study uses a sample of $5 \times 28 = 140$ respondents who are Bank Mandiri customers in Surabaya and added another 30 samples that are used as validity and reliability tests on a small sample.

The sampling technique used in this study was the convenience sampling method, which is a sampling process which is not limited but because it is easy to reach and easy to obtain. The sampling sites are all Mandiri bank branches in Surabaya.

6.2 Variable Operational Definition

To make it easier to solve the problem, it is necessary to know the operational definitions related to the writing of the research sequence, namely:

1. Service Quality

The quality of service in this study was measured through several indicators referring to the research of Prabaningtyas & Andjarwati (2014), namely:

- a. Effectiveness and guarantee
- b. Access
- c. Embodiment
- d. Service portfolio
- e. Reliability

2. Convenience

The ease in this research is measured through several indicators that refer to the research of Istiarni and Hadiprajitno (2014), namely:

- a. The system is easy to learn and flexible in use
- b. The system can do easily what the user wants
- c. Easy use
- d. Time saving and easy to operate

3. Price

Prices in this study are measured through several indicators referring to the theory of Kotler and Keller (2013), namely:

- a. Price affordability
- b. Competitive prices with competitors

- c. Prices are comparable to the products offered

4. Product Quality

Product quality in this study was measured through several indicators referring to Garvin's theory in Wang (2003), including:

- a. Performance
- b. Features
- c. Conformance represents
- d. Reliability
- e. Durability
- f. Serviceability
- g. Aesthetics
- h. Customer-perceived quality

5. Customer Satisfaction

Customer satisfaction in this study was measured through several indicators referring to the research of Siew-Peng Lee and Sedigheh Moghavvemi (2015), including:

- a. Bank services meet expectations
- b. Satisfaction with the bank
- c. The right action in choosing a bank because of its services
- d. Satisfaction with the quality of bank services

6. Customer Loyalty

Customer loyalty in this study was measured by several dimensions referring to the research of Phi, Thanh, and Viet (2018), namely:

- a. Respondents always think of the place when needed
- b. Respondents will not use services from other places if these places can provide them
- c. Respondents will use the services offered by the place again
- d. Respondents will recommend this service to other users

6.3 Data analysis

The analytical technique chosen to analyze the data and test hypotheses in this study is The Structural Equation Model (SEM). To answer the hypothesis used Partial Least Square (PLS). According to Ghazali (2016) the calculation is carried out using the Smart Partial Least Square (PLS) tool, because it is in the form of multi lanes and the model used is reflective. The calculation model is carried out using the Smart PLS tool because in this study it has a multi-path relationship and is formative and reflective. In addition, because the sampling is less than 100 respondents. The formative model is a model that shows the direction of the relationship from the indicator to the latent variable. The reflective model is a model that shows the relationship of the latent variable to the indicator.

7. Analysis Results

7.1 Inner Model Test

1. Structural Equation

In this study, to test the research hypothesis, Partial Least Square (PLS) analysis was used with the SmartPLS program. Here is a picture of the proposed PLS model.

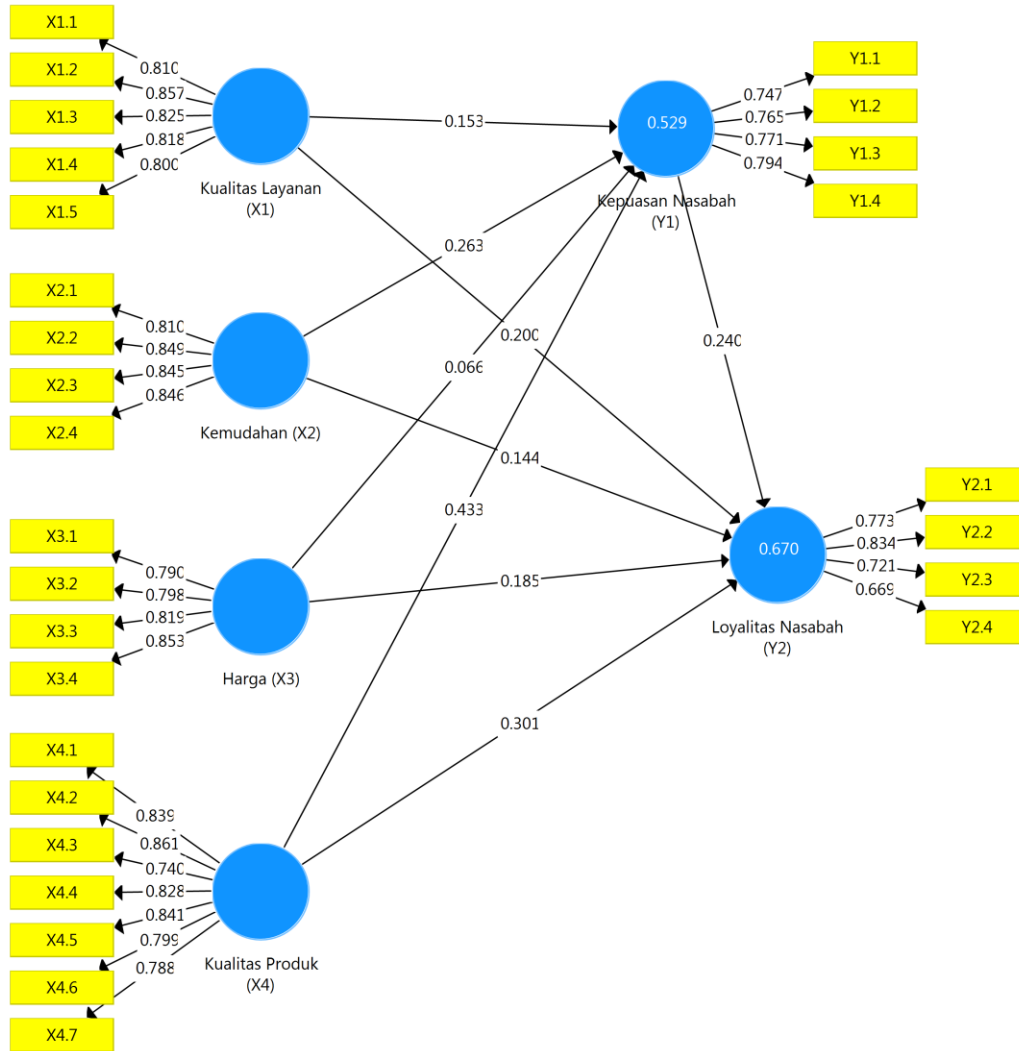


Figure 2. PLS Research Model

The results of the inner weight value of Figure 4.1 above show that the Customer Satisfaction variable is influenced by the variables of Service Quality, Convenience, Price, and Product Quality, while the Customer Loyalty variable is influenced by Service Quality, Convenience, Price, Product Quality and Customer Satisfaction which is described in the structural equation below.

$$Y1 = 0.153 X_1 + 0.263 X_2 + 0.066 X_3 + 0.433 X_4$$

$$Y2 = 0.200 X_1 + 0.144 X_2 + 0.185 X_3 + 0.301 X_4 + 0.240 Y1$$

2. R-Square

In assessing the model with PLS, it begins by looking at the R-square for each dependent latent variable. Changes in the value of R-square can be used to assess the effect of certain independent latent variables on the dependent latent variable whether it has a substantive effect. For endogenous latent variables in the structural model which have R2 results of 0.75 indicating that the model is "strong", R2 of 0.50 indicates that the model is "moderate", R2 of 0.25 indicates that the model is "weak" (Ghozali, 2016). The PLS output is as described below:

Table 3. R-Square Value

	<i>R Square</i>
Service Quality (X₁)	
Convenience (X₂)	
Price (X₃)	
Product Quality (X₄)	
Customer Satisfaction (Y1)	0.529
Customer Loyalty (Y2)	0.670

Based on the results of testing the R-square value above, it can be interpreted that:

1. The variables of Service Quality, Convenience, Price, and Product Quality that affect the Customer Satisfaction variable have an R2 value of 0.529 which indicates that the model is “moderate”.
2. The variables of Service Quality, Convenience, Price, Product Quality, and Customer Satisfaction which affect the Customer Loyalty variable have an R2 value of 0.670 which also indicates that the model is “moderate”.

The suitability of the structural model can be seen from Q², as follows:

$$Q^2 = 1 - [(1 - R1)*(1 - R2) *(1 - R3)]$$

$$= 1 - [(1 - 0.529)*(1 - 0.670)]$$

$$= 1 - [(0.741)*(0.330)]$$

$$= 1 - [0.155]$$

$$= 0.845$$

The results of the Q2 calculation show that the Q2 value is 0.845 which indicates that the Q2 value is "strong". According to Ghozali (2014), the value of Q2 can be used to measure how well the observed values are generated by the model and also the estimated parameters. So the value of Q2 predictions made by the model is considered to have predictive relevance.

7.2 Hypothesis Test

To answer the research hypothesis, the t-statistics can be seen in Table 4 below:

Table 4. Hypothesis Testing Results

	T Statistics	T Tabel	Penerimaan Hipotesis
Service Quality (X₁) -> Customer Satisfaction (Y1)	1.698	1,96	Hypothesis rejected
Service Quality (X₁) -> Customer Loyalty (Y2)	2.489	1,96	Hypothesis accepted
Convenience (X₂) -> Customer Satisfaction (Y1)	3.371	1,96	Hypothesis accepted
Convenience (X₂) -> Customer Loyalty (Y2)	2.177	1,96	Hypothesis accepted
Price (X₃) -> Customer Satisfaction (Y1)	0.969	1,96	Hypothesis rejected
Price (X₃) -> Customer Loyalty (Y2)	2.313	1,96	Hypothesis accepted
Product Quality (X₄) -> Customer Satisfaction (Y1)	5.081	1,96	Hypothesis accepted
Product Quality (X₄) -> Customer Loyalty (Y2)	4.264	1,96	Hypothesis accepted
Customer Satisfaction (Y1) -> Customer Loyalty (Y2)	3.178	1,96	Hypothesis accepted

The test results show that:

- a. Service Quality has no significant effect on Customer Satisfaction, because the T statistic value is 1.698 which means it is smaller than 1.96.
- b. Service Quality has a significant effect on Customer Loyalty, because the T statistic value is 2.489 which means it is greater than 1.96.
- c. Convenience has a significant effect on Customer Satisfaction, because the T statistic value is 3.371 which means it is greater than 1.96.
- d. Convenience has a significant effect on Customer Loyalty, because the T statistic value is 2.177 which means it is greater than 1.96.
- e. Price has no significant effect on Customer Satisfaction, because the T statistic value is 0.969 which means it is smaller than 1.96.
- f. Price has a significant effect on Customer Loyalty, because the statistical T value is 2,313 which means it is greater than 1.96.
- g. Product Quality has a significant effect on Customer Satisfaction, because the T statistic value is 5.081 which means it is greater than 1.96.
- h. Product Quality has a significant effect on Customer Loyalty, because the statistical T value is 4.264 which means it is greater than 1.96.
- i. Customer Satisfaction has a significant effect on Customer Loyalty, because the T statistic value is 3.178 which means it is greater than 1.96.

8. Discussion

a. The Influence of Service Quality on Customer Satisfaction

Based on the results of the analysis, it was found that Service Quality had no significant effect on Customer Satisfaction but had a positive influence. This means that the hypothesis which reads "Service Quality has a significant positive effect on Customer Satisfaction funding at Bank Mandiri in Surabaya", is declared not accepted. The results in this study are not in line with Firdiyansyah's research (2017) which proves that service quality is proven to have a significant partial effect on customer satisfaction. These results also do not support the findings of Sembiring, Suharyono, and Kusumawati (2014) which prove that service quality has a direct and significant effect on customer satisfaction.

b. Pengaruh Service Quality Terhadap Customer Loyalty

Based on the results of the analysis, it was found that Service Quality had a significant positive effect on Customer Loyalty. This means that the hypothesis which reads "Service Quality has a significant positive effect on Bank Mandiri Customer Loyalty funding in Surabaya", is declared accepted. The results in this study support the findings of research conducted by Phi, Thanh, and Viet (2018) showing that customer loyalty is influenced by four dimensions of Service Quality (reliability, responsiveness, website utility, and physical evidence) and customer satisfaction. The same finding is also evidenced by Sembiring, Suharyono, and Kusumawati (2014) who prove that the service quality variable has a significant influence on customer loyalty. However, the results in this study contradict the findings of research conducted by Gumelar (2014) which explains that the Service Quality variable does not affect customer loyalty.

c. The Effect of Convenience on Customer Satisfaction

Based on the results of the analysis, it was found that Convenience had a significant positive effect on Customer Satisfaction. This means that the hypothesis which reads "Convenience has a significant positive effect on Customer Satisfaction funding at Bank Mandiri in Surabaya", is declared accepted. The results of this study support the findings of research conducted by Prabaningtyas & Andjarwati (2014) which found in their research that Convenience had a significant positive effect on satisfaction. Likewise, the findings of Antika and Andjarwati (2016) which prove in their research that Convenience has a significant influence on the satisfaction variable.

d. The Effect of Convenience on Customer Loyalty

Based on the results of the analysis, it was found that Convenience had a significant positive effect on Customer Loyalty. This means that the hypothesis which reads "Convenience has a significant positive effect on Bank Mandiri Customer Loyalty funding in Surabaya", is declared accepted. The results in this study Prabaningtyas & Andjarwati (2014) who found in research that proved that the Convenience variable had a positive and significant effect on customer loyalty. Likewise, the findings of Nainggolan (2018) which prove in his research that Convenience has a significant and positive influence on customer loyalty.

e. The Influence of Price on Customer Satisfaction

Based on the results of the analysis, it was found that Price had no significant effect on Customer Satisfaction. This means that the hypothesis which reads "Price has a significant positive effect on Bank Mandiri Customer Satisfaction funding in Surabaya", is declared accepted. The findings in this study are not in line with the findings of research conducted by Al-Msallam (2015) which found that Price's fairness had a significant effect on satisfaction. Likewise, the findings of Firdiyansyah (2017), Wibawa, Farida, and Listyorini (2014) which show that Price is proven to have a significant partial effect on the customer satisfaction variable.

f. The Influence of Price on Customer Loyalty

Based on the results of the analysis, it was found that Price had a significant positive effect on Customer Loyalty. This means that the hypothesis which reads "Price has a significant positive effect on Bank Mandiri Customer Loyalty funding in Surabaya", is declared accepted. The results of this study are in line with the findings of Al-Msallam (2015) finding that Price's fairness has a significant effect on loyalty. This result is also the same as the research findings of Wibawa, Farida, and Listyorini (2014) and Vinita Kaura Ch. S, Durga Prasad, and Sourabh Sharma (2015) which show that there is a positive and significant influence between Price on loyalty.

g. Effect of Product Quality on Customer Satisfaction

Based on the results of the analysis, it was found that Product Quality had a significant positive effect on Customer Satisfaction. This means that the hypothesis which reads "Product Quality has a significant positive effect on Customer Satisfaction funding at Bank Mandiri in Surabaya", is declared accepted. The findings in the study are in line with the findings of research conducted by Sembiring, Suharyono, and Kusumawati (2014) which proves that Product Quality has a direct and significant effect on customer satisfaction. Likewise, Marisa Arnindita Palma, Anik Lestari Andjarwati (2016) stated that Product Quality has a significant effect on satisfaction.

h. Effect of Product Quality on Customer Loyalty

Based on the results of the analysis, it was found that Product Quality had a significant positive effect on Customer Loyalty. This means that the hypothesis which reads "Product Quality has a significant positive effect on Bank Mandiri Customer Loyalty funding in Surabaya", is declared accepted. The findings in this study are the same as those of Lestari and Yulianto (2018), proving that there is a significant influence between Product Quality variables that affect Customer Loyalty, indicating that the higher the Product Quality provided, the higher the impact on customer loyalty. However, this is contrary to the findings of Sembiring, Suharyono, and Kusumawati (2014) which prove that the Product Quality variable has no significant effect on customer loyalty.

i. The Influence of Customer Satisfaction on Customer Loyalty

Based on the results of the analysis, it was found that Customer Satisfaction had a significant positive effect on Customer Loyalty. This means that the hypothesis which reads "Customer Satisfaction has a significant positive effect on Bank Mandiri Customer Loyalty funding in Surabaya", is declared accepted. The findings in this study are in line with the findings of Chiguvi and Guruwo (2015) which prove that there is a positive and significant effect of

customer satisfaction on customer loyalty. The same finding is also proven by Rasmansyah (2017) showing that customer satisfaction has an effect on customer loyalty.

9. Conclusion

Based on the results of the analysis and hypothesis testing that have been carried out, it can be concluded as follows:

- a. Service Quality has no significant effect on Customer Satisfaction
- b. Service Quality has a significant positive effect on Customer Loyalty
- c. Convenience has a significant positive effect on Customer Satisfaction
- d. Convenience has a significant positive effect on Customer Loyalty
- e. Price has no significant effect on Customer Satisfaction
- f. Price has a significant positive effect on Customer Loyalty
- g. Product Quality has a significant positive effect on Customer Satisfaction
- h. Product Quality has a significant positive effect on Customer Loyalty
- i. Customer Satisfaction has a significant positive effect on Customer Loyalty.

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