

# UNIVERSITAS INTERNASIONAL BATAM

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## **ANALYSIS OF SERVICE QUALITY DIMENSION TO IMPROVE CUSTOMER LOYALTY IN THE MATAHARI DEPARTEMENT STORE IN BATAM**

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### **ABSTRACT**

Improving service quality is a function of basic strategies to gain profit in the department store. This study aims to determine the effect of variables of service quality dimension, namely physical aspect, reliability, personal interaction, problem-solving, policy on customer loyalty through age and education at Matahari Departement Store in Batam City.

This research was applied by the survey method by distributing questionnaires to 161 respondents through Google form. Respondents sampled were customers who had visited the Matahari Department Store in Batam City. After the results of the respondents were collected, then the data were tested by the authors using SmartPLS 3.0 software.

The results of this study concluded that the physical aspect and problem-solving variables have a significant positive relationship to customer loyalty while the reliability, personal interaction and policy variables have no significant relationship to customer loyalty. So, Matahari Department Store in Batam City is better advised to use an online-based sales system which today many consumers tend to be more toward buying products online.

**Keywords:** *customer loyalty, physical aspects, reliability, personal interaction, problem-solving, policy, Matahari Department Store.*