

CHAPTER 5

CONCLUSION AND SUGGESTION

A. Conclusion

The study was conducted to analyze the effect of product quality on customer satisfaction and loyalty in SMEs area. Analysis of the data is using Generalized Structured Component Analysis (GSCA). Based on the research conducted, the following conclusions can be drawn:

1. Generalized structured component analysis results indicate that the quality of products consisting of eight items, namely, performance, features, reliability, conformance, durability, service ability, aesthetics and perceived quality are jointly have a significant influence on consumer satisfaction variables that have 3 items consisting of expectation, experience, and value. Results of generalized structured component analysis shows the number of 0843 *. That is, 84.3% customer satisfaction is influenced by the quality of the product.
2. Results of generalized structured component analysis showed that the variables of customer satisfaction that has three items that expectation, experience, and values together have a significant influence on consumer loyalty variable that has four items, namely, recommend other, continue purchasing, say positive thing, and remember the brand. Results of generalized structured component

analysis shows the number of 0465 *. That is, 46.5% of customer loyalty has been influenced by the satisfaction felt by customers.

3. Generalized structured component analysis results indicate that the variable quality of the product which consists of eight items, namely, performance, features, reliability, conformance, durability, service ability, aesthetics and perceived quality has a significant impact on consumer loyalty variable that has four items that recommend other, continue purchasing, say a positive thing, and remember the brand. Results of generalized structured component analysis shows the number 0477 *. That is, 47.7% customer satisfaction is influenced by the quality of the product.

B. Suggestion

After conduct the research in analyzing the effect of product quality on customer satisfaction and loyalty, there are some suggestions that emerged, the following suggestion can be drawn:

1. Quality is an important part in determining the customer satisfaction. It was proven in this research that the product quality affectiong the customer to determine whether they satisfied or not. Result of the research shows that there are three items which has the lowest impact among others, those are feature, durability, and service ability. So, the company need improve their services so that customers feel well served and at once to establish closer



relationships with customers and also the company need to make a new design and pattern so that the customer wont get bored.

2. For further research is expected to examine the variables beyond the variables that have been studied in order to obtain results that can be more varied effect on satisfaction and loyalty.



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Appendix 2**QUESTIONNAIRE****CHARACTERISTIC OF RESPONDENT**

1. Name :
2. Gender : M / F
3. Ages :
4. Education Level :
 - a. SD
 - b. SMP
 - c. SMA
 - d. Diploma D1/D2/D3
 - e. Bachelor S1/S2/S3
 - f. Others
5. Occupation :
 - a. Student
 - b. Teacher/Lecturer
 - c. Civil servant
 - d. Self-Employee
 - e. Police/TNI
 - f. Enterpreneur
 - g. Others
6. Earning/Month
.....?

Questionnaires Filling Instruction

- Put a cross (x) at the point that best suits your assumption. Flagging a cross (x) on the dark circles if leaning to the right side, stating that you tend to choose properties that are listed on the right, on the contrary, if the administration is more inclined to cross the circle on the left side you tend to prefer the properties listed on the left scale. Provision of a cross in a circle which is right in the middle of the scale you are neutral states.

PRODUCT QUALITY

1. Performance

- a) The fabric used in the manufacture of batik cloth Jonegoroan



- b) The color shades and designs of batik fabrics Jonegoroan



2. Feature

- a) The style and color of batik cloth batik Jonegoroan compared with other

regions



- b) Price of batik cloth Jonegoroan compared to other regions



3. Reliability

- a) The condition of batik cloth Jonegoroan in everyday use



- b) The color and pattern of batik cloth when washing



4. Conformance

- a) Fabric quality over time



- b) The thickness of the fabric over time



5. Durability

- a) Conditions of Jonegoroan batik cloth in the long-term use



- b) Conditions of color patterns on batik cloth when washing



6. Service Ability

- a) Services which given to the customer



- ### b) Interaction with the customer



7. Aesthetics

- a) PThe use of local potential such as corn, star fruit, cattle as patterns of batik cloth Jonegoroan



- b) The batik surface when use



8. Perceived Quality

- a) Your appearance when using batik fabric in daily use



- b) Perceived quality which felt when wearing batik cloth Jonegoroan in ever



CUSTOMER SATISFACTION

1. Expectation

- a) Suitability of quality and price on comfort and performance expected after using batik cloth Jonegoroan



2. Experience

- a) Perceived quality which felt from time to time when using batik fabric products and services provided to customers



3. Value

- a) Comparison between the cost and time spent on the satisfaction felt after using batik products Bojonegoro



CUSTOMER LOYALTY

1. Recommend Others

Your recommendation to others to buy batik cloth Jonegoroan in Marely Jaya (Sumberjo)



2. Continue Purchasing

Desire or interest to buy batik cloth Jonegoroan back at a later date at the Batik Marely Jaya (Sumberjo)



3. Say Positive Things

The impression you convey about batik fabric Jonegoroan Marely Jaya to others



4. Remember The Brand

Your attitude later on brand name products Jonegoroan Marely batik cloth you have purchased Jaya



Appendix 3

Questionnaire Tabulation Data

	X.1.1	X.1.2	X.2.1	X.2.2	X.3.1	X.3.2	X.4.1	X.4.2	X.5.1	X.5.2	X.6.1	X.6.2	X.7.1	X.7.2	X.8.1	X.8.2
1	4	4	6	6	5	5	6	6	4	4	6	6	6	6	5	5
2	6	6	6	6	6	7	7	7	6	6	6	5	7	7	7	7
3	4	4	5	5	4	4	6	4	4	4	6	5	6	6	6	6
4	6	6	6	6	6	6	6	7	6	7	6	6	6	6	6	6
5	6	6	5	5	5	5	6	7	6	7	5	5	7	7	7	6
6	6	6	6	6	6	6	5	5	4	4	6	6	6	6	6	6
7	6	6	5	5	6	6	6	6	5	5	6	6	6	7	7	6
8	5	5	6	6	6	6	6	6	5	5	7	7	6	6	7	6
9	7	6	7	7	6	6	7	7	7	7	7	7	7	7	7	6
10	6	6	6	6	6	7	6	6	6	6	6	6	6	6	7	7
11	5	5	5	5	6	6	5	5	6	6	6	6	7	7	6	6
12	5	5	5	5	4	4	4	4	5	5	5	5	4	4	5	5
13	6	6	6	6	6	6	6	7	6	6	6	6	7	7	6	7
14	7	7	7	7	7	7	6	7	6	6	6	6	7	7	6	7
15	5	6	6	6	6	4	6	6	6	6	5	5	6	4	4	4
16	5	5	5	4	5	5	5	5	7	7	7	7	5	5	6	6
17	6	6	6	6	7	7	7	7	5	7	6	6	6	6	6	6
18	6	6	6	6	6	6	6	6	5	7	7	7	7	7	7	7
19	7	7	6	6	6	6	7	7	7	7	7	7	7	7	6	6
20	7	6	7	7	6	6	5	6	7	7	6	7	6	6	7	7
21	7	6	6	6	6	6	5	6	7	7	6	7	6	6	7	7
22	6	6	7	7	6	7	7	7	7	7	7	7	6	7	6	7
23	6	6	6	6	6	7	6	6	6	6	7	7	6	7	6	7
24	7	7	6	6	6	6	6	6	7	7	6	6	7	7	7	7
25	7	7	6	6	6	6	7	7	6	6	7	7	6	6	6	6
26	6	7	6	6	6	6	6	6	5	6	4	4	6	6	6	6
27	6	7	7	6	6	6	6	6	7	7	7	7	6	7	7	6
28	7	7	6	6	7	7	6	6	6	6	7	7	6	7	7	6
29	6	6	7	7	7	7	7	7	7	7	6	6	6	6	6	6
30	6	6	6	6	6	6	5	7	7	7	6	6	7	7	7	7
31	7	6	7	7	6	6	5	7	7	7	7	7	6	6	6	6
32	7	6	6	6	7	7	7	7	7	7	6	7	6	6	7	7
33	6	6	7	6	6	6	7	7	6	6	6	7	6	6	7	7
34	6	6	7	6	6	7	7	7	7	7	6	7	7	7	6	6
35	7	7	6	6	6	7	7	7	7	7	6	6	6	6	7	7
36	6	6	5	4	5	5	4	4	6	6	4	4	5	5	5	5
37	7	7	6	6	7	7	6	6	7	7	6	6	6	6	7	7
38	5	5	6	6	6	6	6	6	6	6	5	5	5	5	4	4

Y.1	Y.2	Y.3	Y	Z.1	Z.2	Z.3	Z.4	Z
6	4	5	15	4	6	5	6	21
6	7	6	19	6	6	7	6	25
5	4	5	14	6	6	5	6	23
7	6	7	20	6	6	6	7	25
6	5	7	18	5	7	7	6	25
6	4	6	16	6	6	4	6	22
7	6	6	19	6	7	6	7	26
7	6	6	19	7	5	6	7	25
6	6	7	19	7	6	6	7	26
6	6	7	19	6	6	6	7	25
7	7	6	20	7	5	5	7	24
5	5	6	16	4	4	5	6	19
7	7	6	20	7	6	6	7	26
7	7	6	20	6	7	6	7	26
4	4	4	12	4	6	4	4	18
6	7	5	18	7	6	7	5	25
7	7	6	20	6	7	6	6	25
6	7	7	20	7	7	7	7	28
6	6	7	19	7	7	7	7	28
6	6	7	19	7	7	6	6	26
6	7	6	19	7	6	6	7	26
7	6	7	20	6	7	6	7	26
6	7	6	19	7	7	7	6	27
6	7	6	19	6	6	7	6	25
7	6	7	20	7	7	6	6	26
5	6	5	16	5	4	5	6	20
6	7	6	19	7	7	6	7	27
6	6	6	18	6	6	7	7	26
6	7	7	20	6	6	7	7	26
6	6	6	18	6	6	7	6	25
7	6	6	19	6	7	6	7	26
7	7	7	21	7	6	7	6	26
7	7	6	20	7	7	7	6	27
6	6	6	18	7	7	6	6	26
6	7	7	20	7	7	7	7	28
4	5	4	13	5	5	4	4	18
7	7	7	21	6	7	6	6	25
6	4	4	14	4	4	5	4	17

Appendix 4**Validity of Test Results on Product Quality (X)****Correlations**

	X.1.1	X.1.2	X.2.1	X.2.2	X.3.1	X.3.2	X.4.1	X.4.2	X
X.1.1 Pearson Correlation	1	.838**	.438**	.461**	.609**	.591**	.231	.520**	.770**
Sig. (2-tailed)		.000	.006	.004	.000	.000	.162	.001	.000
N	38	38	38	38	38	38	38	38	38
X.1.2 Pearson Correlation	.838**	1	.374	.345	.605**	.525**	.293	.465**	.658**
Sig. (2-tailed)	.000		.021	.034	.000	.001	.075	.003	.000
N	38	38	38	38	38	38	38	38	38
X.2.1 Pearson Correlation	.438	.374	1	.878**	.540	.517	.443	.619**	.678**
Sig. (2-tailed)	.006	.021		.000	.000	.001	.005	.000	.000
N	38	38	38	38	38	38	38	38	38
X.2.2 Pearson Correlation	.461**	.345	.878**	1	.592**	.531**	.453**	.655**	.665**
Sig. (2-tailed)	.004	.034	.000		.000	.001	.004	.000	.000
N	38	38	38	38	38	38	38	38	38
X.3.1 Pearson Correlation	.609	.605	.540	.592	1	.810	.464	.619	.735
Sig. (2-tailed)	.000	.000	.000	.000		.000	.003	.000	.000
N	38	38	38	38	38	38	38	38	38
X.3.2 Pearson Correlation	.591**	.525**	.517**	.531**	.810**	1	.520**	.605**	.795**
Sig. (2-tailed)	.000	.001	.001	.001	.000		.001	.000	.000
N	38	38	38	38	38	38	38	38	38
X.4.1 Pearson Correlation	.231	.293	.443**	.453**	.464**	.520**	1	.712**	.590**
Sig. (2-tailed)	.162	.075	.005	.004	.003	.001		.000	.000



N		38	38	38	38	38	38	38	38	38
X.4.2	Pearson Correlation	.520**	.465**	.619**	.655**	.619**	.605**	.712**	1	.796**
	Sig. (2-tailed)	.001	.003	.000	.000	.000	.000	.000		.000
	N	38	38	38	38	38	38	38	38	38
X	Pearson Correlation	.770**	.658**	.678**	.665**	.735**	.795**	.590**	.796**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	
	N	38	38	38	38	38	38	38	38	38

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations

	X.5.1	X.5.2	X.6.1	X.6.2	X.7.1	X.7.2	X.8.1	X.8.2	X
X.5.1 Pearson Correlation	1	.849**	.248	.406	.191	.185	.285	.332	.637**
Sig. (2-tailed)		.000	.134	.011	.249	.265	.083	.042	.000
N	38	38	38	38	38	38	38	38	38
X.5.2 Pearson Correlation	.849	1	.195	.345	.278	.237	.332	.358	.668**
Sig. (2-tailed)	.000		.241	.034	.091	.151	.042	.027	.000
N	38	38	38	38	38	38	38	38	38
X.6.1 Pearson Correlation	.248	.195	1	.876**	.280	.474**	.425**	.398	.572**
Sig. (2-tailed)	.134	.241		.000	.088	.003	.008	.013	.000
N	38	38	38	38	38	38	38	38	38
X.6.2 Pearson Correlation	.406	.345	.876**	1	.227	.394	.458	.442	.655**
Sig. (2-tailed)	.011	.034	.000		.171	.014	.004	.006	.000
N	38	38	38	38	38	38	38	38	38
X.7.1 Pearson Correlation	.191	.278	.280	.227	1	.805**	.453	.478	.606**
Sig. (2-tailed)	.249	.091	.088	.171		.000	.004	.002	.000
N	38	38	38	38	38	38	38	38	38
X.7.2 Pearson Correlation	.185	.237	.474**	.394	.805**	1	.622**	.614**	.678**
Sig. (2-tailed)	.265	.151	.003	.014	.000		.000	.000	.000
N	38	38	38	38	38	38	38	38	38
X.8.1 Pearson Correlation	.285	.332	.425**	.458	.453	.622**	1	.801**	.646**
Sig. (2-tailed)	.083	.042	.008	.004	.004	.000		.000	.000
N	38	38	38	38	38	38	38	38	38
X.8.2 Pearson Correlation	.332	.358	.398	.442**	.478**	.614**	.801**	1	.696**



Sig. (2-tailed)	.042	.027	.013	.006	.002	.000	.000	.000	.000
N	38	38	38	38	38	38	38	38	38
X Pearson Correlation	.637**	.668**	.572**	.655**	.606**	.678**	.646**	.696**	1
Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000
N	38	38	38	38	38	38	38	38	38

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Validity of Test Results on Customer Satisfaction (Y)

Correlations				
	Y.1	Y.2	Y.3	Y
Y.1 Pearson Correlation	1	.519**	.564**	.815**
Sig. (2-tailed)		.001	.000	.000
N	38	38	38	38
Y.2 Pearson Correlation	.519**	1	.502**	.841**
Sig. (2-tailed)	.001		.001	.000
N	38	38	38	38
Y.3 Pearson Correlation	.564**	.502**	1	.825**
Sig. (2-tailed)	.000	.001		.000
N	38	38	38	38
Y Pearson Correlation	.815**	.841**	.825**	1
Sig. (2-tailed)	.000	.000	.000	
N	38	38	38	38

**. Correlation is significant at the 0.01 level (2-tailed).

Validity of Test Results on Customer Loyalty (Z)

Correlations

	Z.1	Z.2	Z.3	Z.4	Z
Z.1 Pearson Correlation	1	.503**	.548**	.544**	.838**
Sig. (2-tailed)		.001	.000	.000	.000
N	38	38	38	38	38
Z.2 Pearson Correlation	.503**	1	.488**	.356*	.751**
Sig. (2-tailed)	.001		.002	.028	.000
N	38	38	38	38	38
Z.3 Pearson Correlation	.548**	.488**	1	.437**	.794**
Sig. (2-tailed)	.000	.002		.006	.000
N	38	38	38	38	38
Z.4 Pearson Correlation	.544**	.356*	.437**	1	.740**
Sig. (2-tailed)	.000	.028	.006		.000
N	38	38	38	38	38
Z Pearson Correlation	.838**	.751**	.794**	.740**	1
Sig. (2-tailed)	.000	.000	.000	.000	
N	38	38	38	38	38

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Results of Reliability Test Instruments



A. Quality of Product (X)**Reliability Statistics**

Cronbach's Alpha	N of Items
.921	16

B. Customer Satisfaction (Y)**Reliability Statistics**

Cronbach's Alpha	N of Items
.762	3

C. Customer Loyalty (Z)**Reliability Statistics**

Cronbach's Alpha	N of Items
.788	4

Appendix 5

Output GSCA

Model Fit	
FIT	0.557
AFIT	0.530
GFI	0.993
SRMR	0.112
NPAR	33

Measurement Model

Variable	Loading			Weight			SMC		
	Estimate	SE	CR	Estimate	SE	CR	Estimate	SE	CR
AVE = 0.501, Alpha =0.857									
Kualitas	AVE = 0.501, Alpha =0.857								
Kualitas.1	0.752	0.077	9.8 [*]	0.158	0.035	4.5 [*]	0.566	0.112	5.06 [*]
Kualitas.2	0.612	0.097	6.32 [*]	0.096	0.023	4.24 [*]	0.375	0.107	3.5 [*]
Kualitas.3	0.801	0.076	10.5 [*]	0.207	0.034	6.01 [*]	0.642	0.114	5.62 [*]
Kualitas.4	0.766	0.099	7.76 [*]	0.202	0.039	5.13 [*]	0.587	0.139	4.22 [*]
Kualitas.5	0.643	0.099	6.52 [*]	0.160	0.033	4.89 [*]	0.414	0.121	3.41 [*]
Kualitas.6	0.611	0.114	5.34 [*]	0.202	0.038	5.25 [*]	0.374	0.122	3.06 [*]
Kualitas.7	0.723	0.085	8.48 [*]	0.148	0.035	4.26 [*]	0.522	0.118	4.41 [*]
Kualitas.8	0.724	0.100	7.22 [*]	0.231	0.047	4.95 [*]	0.524	0.130	4.02 [*]
AVE = 0.610, Alpha =0.788									
Kesetiaan	AVE = 0.610, Alpha =0.788								

Kesetiaan.1	0.833	0.056	14.86*	0.325	0.039	8.22*	0.694	0.090	7.75*
Kesetiaan.2	0.723	0.103	7.05*	0.270	0.059	4.54*	0.523	0.135	3.86*
Kesetiaan.3	0.809	0.049	16.39*	0.357	0.040	8.85*	0.654	0.077	8.51*
Kesetiaan.4	0.755	0.137	5.5*	0.326	0.054	5.99*	0.570	0.164	3.47*
<hr/>									
Kepuasan	AVE = 0.683, Alpha =0.762								
Kepuasan.1	0.802	0.092	8.72*	0.324	0.062	5.21*	0.644	0.134	4.82*
Kepuasan.2	0.825	0.051	16.08*	0.428	0.048	8.83*	0.680	0.083	8.17*
Kepuasan.3	0.852	0.063	13.57*	0.454	0.054	8.39*	0.726	0.100	7.26*

CR* = significant at .05 level

Structural Model

Path Coefficients			
	Estimate	SE	CR
Kualitas->Kesetiaan	0.477	0.233	2.05*
Kualitas->Kepuasan	0.843	0.055	15.39*
Kepuasan->Kesetiaan	0.465	0.227	2.05*

CR* = significant at .05 level



R square of Latent Variable	
Kualitas	0
Kesetiaan	0.818
Kepuasan	0.711

Means Scores of Latent Variables	
Kualitas	6.154
Kesetiaan	6.149
Kepuasan	6.103

Correlations of Latent Variables (SE)			
	Kualitas	Kesetiaan	Kepuasan
Kualitas	1	0.869 (0.046)*	0.843 (0.055)*
Kesetiaan	0.869 (0.046)*	1	0.867 (0.063)*
Kepuasan	0.843 (0.055)*	0.867 (0.063)*	1

* significant at .05 level



SURAT PERNYATAAN

PENELITIAN

Dengan ini kami menyatakan bahwa mahasiswa yang tertera dibawah ini :

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Telah melakukan penelitian pada UMKM :

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Alamat : Jl Raya Prayungan, Sumberrejo Bojonegoro Jawa Timur
Waktu Penelitian : 17-03-2014 sampai dengan 02-04-2014

Demikian surat keterangan ini dibuat dan dipergunakan sebagaimana mestinya.

Bojonegoro, 03-04-2014

Owner Batik Marely Jaya



BATIK KHAS BOJONEGORO
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