ABSTRACT

EFFECT OF PRODUCT KNOWLEDGE, QUALITY PRODUCTS AND PERCEIVED VALUE ON CUSTOMER SATISFACTION AND ITS IMPACT ON CUSTOMER LOYALTY

By

Rifa Ira Safrida

This study aims to analyze the influence of the variable product knowledge, product quality, and perceived value on customer satisfaction and the impact on consumer loyalty of Wardah Cosmetics at Lampung University Students. This study uses five variables: product knowledge (X1), the quality of the product (X2), the perceived value (X3), customer satisfaction (Y), customer loyalty (Z). After a literature review and hypothesis formulation, data were collected through questionnaires distributed method to 97 respondents at the University of Lampung which uses Wardah Cosmetics brand beauty products using purposive sampling technique. While the analysis is done by processing the data using 2.0.M3 SmartPLS run with computer media.

This study uses data processing techniques to the measurement model (outer model) and the model of structural equation analysis (inner model) and hypothesis testing. The result shows that five of product knowledge, product quality, perceived value significantly influence customer loyalty. And there are variables that were not significant between the product knowledge to customer loyalty due to loyal customers do not have to know about the product knowledge. As such, the Company is expected to maintain and improve product knowledge, product quality, perceived value, and customer satisfaction are capable, builds customer loyalty.

Keywords: product knowledge, product quality, perceived value, customer satisfaction and customer loyalty.