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ROLE OF SERVICE QUALITY PT. ULTRAJAYA MILK INDUSTRY CO TBK EAST JAKARTA TO CUSTOMER LOYALTY THROUGH CUSTOMER SATISFACTION AS A MEDIATION VARIABLE

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Abstract: The research objective to be achieved is to determine the effect of service quality on customer loyalty through customer satisfaction. PT. Ultrajaya Milk Industry Co Tbk, East Jakarta. This research uses quantitative methods. The population in this study were customers of Ultrajaya Milk Industry Co Tbk, East Jakarta. The sampling technique uses the incidental sampling technique. Before testing the hypothesis, the data instrument is tested; first, the data analysis method uses simple linear regression and path analysis. The research results can be concluded as follows: 1). Service quality has a positive and significant effect directly on customer loyalty. 2). Customer satisfaction has a positive and significant effect directly on customer loyalty. 3). Service quality has a positive and significant effect directly on customer loyalty. 4). Service quality has an indirect positive and significant effect on customer loyalty through customer satisfaction. PT. Ultrajaya Milk Industry Co Tbk, East Jakarta.

Keywords: Service quality, customer loyalty, and customer satisfaction.

INTRODUCTION

The development of the business world is currently experiencing a relatively declining development, this is due to the conditions in our country which are being hit by the Covid 19 disease and in general, almost all companies, especially companies engaged in the industrial sector, are experiencing difficulties in marketing. A business activity carried out by a company has several objectives to be achieved by business owners and investors as investors. Because every owner and investor wants the capital they have invested in the company to return quickly, the owner also expects a return on the capital invested so that it can provide additional capital and prosperity for the owner and all employees. Along with the rapid growth of the Indonesian economy today, business competition is very tight. Every company strives to get new customers and retain existing customers so that the company's main goals can be achieved and the company's survival can be guaranteed. This causes entrepreneurs to realize the importance of marketing knowledge to support achieving the company's goals.

With the knowledge of marketing, entrepreneurs can determine the right marketing strategy to market the products they produce to create the right policies. Marketing activities are selling goods and services to consumers, but marketers must have extensive knowledge and understand what consumers need. One of the implementations of marketing activities is through service quality. Service quality is one of the variables in the marketing mix, which is very important for companies to market their goods or services. Service quality is one of the keys to winning the competition with the market. When the company has provided quality products, it has built one of the foundations for creating customer satisfaction. According to Goetsch and Davis (1994), cited by Tjiptono (2020), quality can be interpreted as "dynamic conditions related to products, services, human resources, processes, and the environment that meet or exceed expectations." In a business, serving customers can be one thing that makes the difference between other businesses of its kind. It could be, customer loyalty will grow because of the excellent service quality of a business. To win customers' hearts, not only with a good product or a low price. Excellent and pleasant customer service can also be why people choose a product or service. It could be, the price is high, but the quality of service is very satisfying. So to bring in many visitors.

PT Ultrajaya Milk Industry Tbk, Is one company that is currently trying to retain existing customers and trying to get new customers. This is because the company is a company that has been engaged in its business for a long time, namely food and beverage, while many other companies are engaged in the same field. A quite encouraging development in the sales sector will increase customer satisfaction with its products. Customer satisfaction is consumer satisfaction after comparing the services or products received following what is expected. Assess customer satisfaction and increase customer expectations to become loyal repeat customers. According to Kotler and Keller (2012), consumer satisfaction is "a person's feelings of pleasure or disappointment that arise after comparing the performance (results) of the product thought to the expected performance." Satisfying customer needs is the desire of every company. In addition to being an essential factor for the company's survival, satisfying customer needs can increase its competitive advantage. Customers satisfied with products and services tend to repurchase the product and reuse the service when the same need reappears in the future. This means that satisfaction is a critical factor for customers in making repeat purchases which are the most significant portion of the company's sales volume.

Customers who feel satisfied with the product used will undoubtedly be loyal to the product. Customer loyalty is a customer's attitude towards a product or service in the same company by using it for a long time. Customer loyalty, according to Engel, Blackwell, Miniard (1994) in Hasan (2010), is "a person's behavioral habits that are associated with repeat purchases, high relevance and involvement in their choices, and are characterized by external information seeking and alternative evaluation." Customer loyalty is one of the core goals pursued in modern marketing because, with loyalty, it is hoped that the company will get long-term benefits from the mutualism relationship that exists within a certain period which has an

essential role in a company. Maintaining them is tantamount to improving the financial performance system and maintaining the company's viability.

PT. Ultrajaya is one of the pioneers of milk producers in Indonesia; established in 1971. PT Ultrajaya can be superior among producers of natural fresh milk and soft drinks for Indonesian consumers with several brand variants, such as Ultra Milk for its fresh milk products, The Kotak for its fresh tea drinks, and Sari Kacang Ijo, Sari Asem Asli for its healthy drink products. Until now, the flagship brand, Ultra Milk, is still superior in the liquid milk segment, just as The Kotak is superior in the ready-to-drink variant in carton packaging (ultrajaya.co.id). As its superior dairy product, Ultra Milk has guaranteed freshness of raw materials and all the nutrients in it, which are processed with Ultra High Temperature (UHT) technology and combined with antiseptic packaging technology to ensure safety and quality of the product are guaranteed through a rigorous process. In addition, more than three decades, Ultrajaya has led the fresh liquid milk market in Indonesia with the quality products (ultrajaya.co.id). The research objectives to be achieved areas to determine the effect of service quality on customer loyalty through customer satisfaction PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

LITERATURE REVIEW
Customer Loyalty

According to Hasan (2010), customer loyalty is defined as buying, especially those who buy regularly and repeatedly. Meanwhile, according to Engel, Blackwell, Miniard (1994) in Hasan (2010), customer loyalty is "a person's behavioral habits that are associated with repeat purchases, high relevance and involvement in their choices, and are characterized by external information seeking and alternative evaluation." Griffin (2005) stated that "loyalty is defined as nonrandom purchase expressed over time by some decision making unit." In its translation, loyalty is "a fixed purchase expressed from time to time by several decision-making units." For example, if a person is a loyal customer, he or she will exhibit normal buying behavior that is expressed from time to time by several decision-making units. Furthermore, Tjiptono and Candra (2020) state that customer loyalty is "a customer's commitment to a product or service which is reflected in a very positive attitude and a form of repeat purchase behavior made by the customer consistently within a long period of time long."

Based on these opinions, it can be concluded that customer loyalty is a customer's attitude towards a product or service in the same company by using it for a long time. In building and increasing customer loyalty, companies must pay attention to the factors that influence it. According to Zikmund (2003), the factors influencing customer loyalty are 1). "Convenience; feel comfortable with a quality product and brand when their transaction situation provides convenience. 2). Satisfaction; a measurement of the gap between customer expectations and the reality received or perceived. 3). Emotional bonding; The bond created by a brand is when consumers have felt a strong bond with other consumers by using the same product or service. 4). Experience with companies; A person's experience in the company can

shape behavior. 5). Trust; The willingness of a person to entrust a company or a brand to perform or carry out a function.

According to Kotler and Keller (2012), Indicators of customer loyalty are 1). "Repeat Purchase (loyalty to product purchases). 2). Retention (resistance to negative influences on the company). 3). Referalls (Referring the total existence of the company)".

Service Quality

According to Tjiptono (2020), service quality is seen as "one of the components that need to be realized by the company, because it has the influence to bring in new consumers and can reduce the possibility of old customers moving to other companies." Meanwhile, according to Utami (2010), service quality is also "a complex construct, and is most investigated in the marketing discipline. Quality can be viewed broadly as an advantage or privilege and can be defined as the delivery of services that are relatively special or superior to customer expectations, meaning that the company does not provide good service quality. Lovelock (2011) states that service quality is "a consumer's perspective in the long term and is a cognitive evaluation of service transfer."

Based on some of these definitions, the authors conclude that service quality is a presentation of products or services following company standards and striving to deliver products and services that are the same as what is expected or exceeds customer expectations.

Gronroos (2000) suggests four factors affecting service quality: 1). "Maintaining and paying attention, that customers will feel that existing employees and operational systems can solve their problems. 2). Spontaneity, where employees show a desire to solve customer problems. 3). Problem-solving, employees who deal directly with customers must have the ability to carry out tasks based on existing standards, including training provided to provide better service. 4). If things happen that are not desirable, Repairs must have personnel who can prepare special efforts to overcome these conditions.

According to Parasuraman, quoted by Tjiptono (2020), there are five leading indicators in service quality: 1). "Reliability; This relates to the company's ability to provide accurate service from the first time without making any mistakes and delivering its services in accordance with the agreed time. 2). Responsiveness; It relates to the willingness and ability of employees to help customers and respond to their requests, as well as inform when services will be provided and then provide services quickly. 3). Guarantee; Employee behavior that is able to foster consumer confidence in the company and the company can create a sense of security for its consumers. Assurance also means that employees are always courteous and possess the knowledge and skills required to deal with any customer inquiries or concerns. 4). Empathy; Stating that the company understands the problems of its customers and acts in the interests of consumers, and gives personal attention to consumers and has comfortable operating hours. 5). Physical evidence; With regard to the attractiveness of physical facilities,

complete equipment/equipment, and clean materials used by the company, as well as the appearance of neat employees".

Customer Satisfaction

According to Kotler and Keller (2012), consumer satisfaction is "a person's feelings of pleasure or disappointment that arise after comparing the performance (results) of the product thought to the expected performance." While according to Kotler and Armstrong (2012): consumer satisfaction is "the extent to which the perceived performance of the product meets buyer expectations." If the product's performance is lower than customer expectations, the buyer is satisfied or very happy.

Furthermore, according to Zeithaml and Bitner (2013), the definition of satisfaction is: "response or consumer responses regarding the fulfillment of needs." Satisfaction is an assessment of the characteristics or features of a product or service or the product itself, which provides a level of consumer pleasure related to meeting consumer consumption needs. Consumer satisfaction is "the level of consumer feelings after comparing what he received and his expectations." Omar, (2010). If he is satisfied with the value provided by a product or service, a customer is very likely to be a customer for a long time.

Based on this description, it can be concluded that customer satisfaction is a response to the behavior shown by customers by comparing the perceived performance or results with expectations. Expectations, customers will be satisfied, and when performance exceeds expectations, customers will be delighted.

In determining customer satisfaction, the company must consider five factors (Lupyoadi, 2014), including 1). "Product quality, that is, customers will feel satisfied if their results show that the products they use are of high quality. 2). Quality of service or service, namely customers will feel satisfied if they get good service or as expected. 3). Emotions, namely the customer, will feel proud and gain confidence that other people will be amazed by him when using a product with a particular brand which tends to have a higher level of satisfaction. The satisfaction obtained is not because of the quality of the product but social or self-esteem that makes customers feel satisfied with specific brands. 4). Price, namely products with the same quality but relatively low price, will provide higher value to customers. 5). Costs, namely customers who do not need to incur additional costs or do not need to waste time to get a product or service tend to be satisfied with the product or service.

According to Tjiptono (2020), customer satisfaction has become an obligation for every business organization. Superior and consistent service quality can foster customer satisfaction and provide various benefits such as 1). "Positive impact on customer loyalty. 2). Potential to be a source of future income (mainly through repeat purchases, cross-selling and up-selling). 3). Reducing future customer transaction costs (especially marketing, sales, and customer service communications costs). 4). Reducing volatility and risk with respect to predicting future

cash flows. 5). Increase price tolerance (especially the willingness of customers to pay premium prices and customers are less likely to be tempted to switch suppliers). 6). Positive infectious gethok recommendation. 7). Customers tend to be more receptive to product-line extensions, brand extensions, and new add-on services offered by the company. 8). Increase the bargaining power of the company relative to its network of suppliers, business partners, and distribution channels".

According to Rondonuwu and Komalig in the journal Setyo (2017), consumer satisfaction is measured by how well customer expectations are met—explaining indicators of customer satisfaction, namely: 1). "Fulfillment of consumer expectations; Consumers feel satisfaction with the fulfillment of their wants and needs from a product or service. 2). Attitude or desire to use the product; Attitude is a learned tendency, this means that attitudes related to buying behavior are formed as a result of direct experience with products, verbal information obtained from others, or exposure to advertisements in mass media, the internet, and various forms of direct marketing. 3). Recommend to other parties; Consumers will always recommend the results of their experiences to others for what they get from a quality product offered by a company. 4). Quality of service; Quality of service can be realized through the fulfillment of consumer desires and delivery accuracy to balance consumer expectations. 5). Loyal; Consumers have various reasons not to develop loyalty to a particular product or service, which can provide benefits or meet their expectations. 6). Good reputation; For a company where the main product produced is a service, reputation and good name determine the notion that reputation in the form of brand image, company image, brand reputation, the best name, excellent service, and everything related to customer satisfaction gets priority. 7). Location; What is meant by location is where the company trades the goods/services offered to consumers.

Hypothesis
H1: Service quality positively and significantly affects customer loyalty at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.
H2: Customer satisfaction has a positive and significant effect on customer loyalty at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.
H3: Service quality has a positive and significant effect on customer satisfaction of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.
H4: Service quality significantly affects customer loyalty through customer satisfaction at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

RESEARCH METHOD
Research Design
This study uses quantitative methods to measure the mediating effect of customer satisfaction on the relationship between service quality and customer loyalty at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. In this study, data collection was carried out by distributing questionnaires to Ultrajaya Milk Industry Co. Tbk East Jakarta customers. The population in

this study were customers of Ultrajaya Milk Industry Co Tbk East Jakarta, which purchased an unknown number of products from the company between March and May 2021. The number of samples used is based on the sampling theory of Gay and Diehl (1996), which states that the number of 30 is sufficient to represent the population, and the number of samples used is 80 product buyers from PT. Ultrajaya Milk Industry Co. Tbk. The sampling technique used is the Incidental Sampling technique. What is meant by random sampling is the technique of determining the sample based on chance; that is, anyone who coincidentally meets the researcher can be used as a sample (Sugiyono, 2018). Before testing the hypothesis, the instrument data test is first carried out, whether the data is valid and reliable—data analysis methods using simple linear regression analysis and path analysis (Sarwono, 2007).

RESULT AND DISCUSSION
Test Instrument Data
Based on the description above, to determine whether the variables of service quality and customer satisfaction can be used as a measure of customer loyalty at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. However, previously the data was processed first and tested on the variables used, namely service quality, customer satisfaction, and customer loyalty, to determine whether the data was accurate and reliable.

Validity Test
This validity test is carried out to test whether each statement item represents the indicator to be studied. The minimum requirement to be valid is $r = 0.30$. So, if the correlation between the statement items with a total score of less than 0.30, then the items in the instrument can be said to be invalid. The validity test was carried out by looking at the correlation between the scores of each statement item and the total score (Sugiyono, 2018).

Variable Instrument
Validity Test
From the calculation of the correlation coefficient score of each statement item from 80 respondents about the service quality instrument, with a total of 10 statements; customer satisfaction instrument seven statements and customer loyalty instrument nine statements with a total score of each respondent obtained r arithmetic results greater than r critical 0.300.

Reliability Test
This reliability test is carried out to test how far the measurement results are consistently reliable. For example, in the following table of reliability test results, it is known that all variables have an alpha above 0.6 which means that all variables in this study are reliable.

Table 1: Variable Reliability Test Results

Variable	Cronbach's Alpha	Information
Service Quality	0.808	Reliable
Customer Satisfaction	0.786	Reliable
Customer loyalty	0.630	Reliable

Source: Results of data processing, 2021

Based on Table 1, it can be concluded that the Cronbach's Alpha value is positive, which is greater than 0.6, which is the minimum limit of the reliability coefficient that can be considered excellent and reliable.

Analysis of Research Results

Table 2: Correlation Analysis

		Service Quality	Customer Satisfaction
Service Quality	Pearson Correlation	1	.773**
	Sig. (2-tailed)		.000
	N	80	80
Customer Satisfaction	Pearson Correlation	.773**	1
	Sig. (2-tailed)	.000	
	N	80	80

**. Correlation is significant at the 0.01 level (2-tailed).
   Source: Primary Data, processed 2021

Based on the calculation of Table 2, the correlation between service quality variables and customer satisfaction is 0.773. A correlation of 0.773 means that the relationship between service quality and customer satisfaction is solid and unidirectional (positive), meaning that if the service quality variable is good, then customer satisfaction is also reasonable. The variable correlation is significant at $0.000 < 0.05$ because the significance number (sig) is above 0.05. The variable relationship can be said to be significant.

Path Analysis

Substructure 1: $X_2 = PX_2X_1 + \text{€}$

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.773a	.598	.592	1.90299

a.   Predictors: (Constant), Service Quality

The value of R square (r2) is 0.598, meaning that the service quality variable contributes to the customer satisfaction variable of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta amounted to 59.8%, while the remaining 40.2% was contributed by other variables not examined.

Table 4: Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.290	2.110		2.981	.004
	Kualitas_Layanan	.561	.052	.773	10.763	.000

a. Dependent Variable: Customer Satisfaction

To determine whether there is a linear effect between service quality and customer satisfaction, PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta, to see the magnitude of the influence of these variables, the Beta value or Standardized Coefficient is used and the analysis steps are as follows: 1). Determining the hypothesis: a). Ho: There is no linear effect between service quality and customer satisfaction of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. b). Ha: There is a linear influence between service quality and customer satisfaction of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. 2). Seeing the magnitude of the value of t count; Based on the coefficient table, the calculated t value is 10,763. 3). Look up the t table value; The significance level is 0.05 and the degree of freedom (DK) with the following conditions: DK = n-2, or 80 – 2 = 78, then the t table value is 1.991. 4). Determine hypothesis testing criteria; a). If t count > t table, then reject Ho and accept Ha. b). If t count < t table, then accept Ho and reject Ha. 5). Conclusion; Based on the calculation results, the t-count value is 10,673 > t table of 1,991. Therefore, Ho rejects and Ha accepts, meaning that there is a positive and significant influence between service quality on customer satisfaction at PT. Ultajaya Milk Industry Co. Tbk, East Jakarta.

The magnitude of the influence of service quality on customer satisfaction PT Ultajaya Milk Industry Co Tbk, East Jakarta by 0.773 or 77.3%.
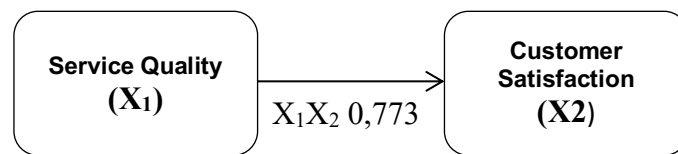

Figure 1: Substructure Path Analysis Results 1

Substructure 2: $Y = PYX_1 + PYX_2 + \epsilon$

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.860ᵃ	.740	.733	1.57843

a. Predictors: (Constant), Customer_Satisfaction, Quality_Service

The value of R square (r2) is 0.740, meaning that the service quality and customer satisfaction variables contribute to the customer loyalty variable of PT. For example, Ultrajaya Milk Industry Co. Tbk East Jakarta amounted to 74.0%, while the remaining 26.0% was contributed by other variables not examined.

Table 6: Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.052	1.847		5.442	.000
	Quality_Service	.348	.068	.467	5.096	.000
	Customer Satisfaction	.458	.094	.447	4.882	.000

a. Dependent Variable: Customer loyalty

To determine whether there is a linear effect between service quality and customer loyalty through customer satisfaction as a mediating variable, PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta, to see the magnitude of the influence of these variables, the Beta value or Standardized Coefficient is used, and the analysis steps are as follows: 1). Determine the first hypothesis (quality of service on customer loyalty; a). Ho: There is no linear effect between service quality and customer loyalty of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. b). Ha: There is a linear influence between service quality and customer loyalty of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. 2). Seeing the magnitude of the value of t count; Based on the coefficient table, the calculated t value is 5.096. 3). Look up the value of the t table; The significance level is 0.05 and the degree of freedom (DK) with the following conditions: DK = n-2, or 80 – 2 = 78, then the t table value is 1.991. 4). Determine hypothesis testing criteria; a). If t count > t table, then reject Ho and accept Ha. b). If t count < t table, then accept Ho and reject Ha. 5). Conclusion; Based on the calculation results, the t-count value is 5.096 > t-table is 1.991. Therefore, Ho rejects and Ha accepts, meaning that there is a positive and significant influence between service quality on customer loyalty at PT. Ultajaya Milk Industry Co. Tbk, East Jakarta. The magnitude of the influence of service quality on customer satisfaction PT. Ultajaya Milk Industry Co Tbk, East Jakarta by 0.467 or 56.7%.

To determine whether there is a linear effect between customer satisfaction and customer loyalty through the variable customer satisfaction as a mediating variable PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta, to see the magnitude of the influence of these variables, the Beta value or Standardized Coefficient is used, and the analysis steps are as follows: 1). Determine the second hypothesis (customer satisfaction to customer loyalty; a). Ho: There is no linear effect between customer satisfaction and customer loyalty of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. b). Ha: There is a linear effect between customer satisfaction and customer loyalty of PT. Ultrajaya Milk Industry Co. Tbk, East Jakarta. 2). Seeing the magnitude of the value of t count; Based on the coefficient table, the calculated t value is 4.882. 3). Look up the t table value; The significance level is 0.05 and the degree of freedom (DK) with the following conditions: DK = n-2, or 80 – 2 = 78, then the t table value is 1.991. 4). Determine hypothesis testing criteria; a). If t count > t table, then reject Ho and accept Ha. b). If t count < t table, then accept Ho and reject Ha. 5). Conclusion

Based on the results, the calculated t value is 4.882 > t table is 1.991. Therefore, Ho rejects and Ha accepts, meaning that there is a positive and significant influence between

customer satisfaction and customer loyalty at PT. Ultajaya Milk Industry Co. Tbk, East Jakarta. The magnitude of the influence of customer satisfaction on customer satisfaction is Ultajaya Milk Industry Co Tbk, East Jakarta by 0.447 or 44.7%.
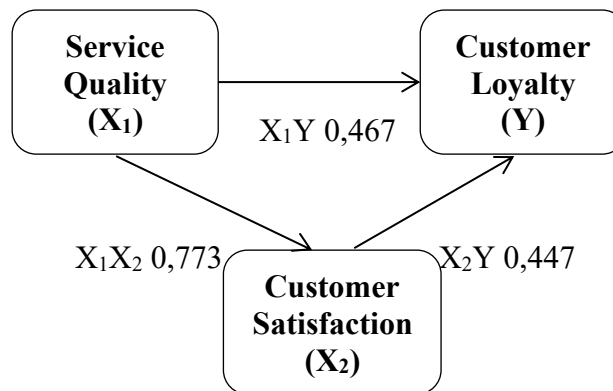

Figure 2: Substructure Path Analysis Results 2

Based on the results of the calculation of the path diagram above, it can be explained as follows:
Direct Effect

To calculate the direct effect or DE, the following formula is used:
1) The influence of service quality variables on customer satisfaction
$X1 \rightarrow X2 = 0.773$
2) The influence of service quality variables on customer loyalty
$X1 \rightarrow Y = 0.467$
3) The influence of customer satisfaction variables on customer loyalty
$X2 \rightarrow Y = 0.447$

Indirect Effect
To calculate the indirect effect or IE, the following formula is used:
The influence of service quality variables on customer loyalty through customer satisfaction:
$X_1 \rightarrow X_2 \rightarrow Y = (0,773 \times 0,447) = 0.346$.

Total Effect
The influence of service quality variables on customer loyalty through customer satisfaction:
$X_1 \rightarrow X_2 \rightarrow Y = (0,773 + 0,447) = 1.220$.

The structural equation for the equation model is:
Equation of sub structure 1: $X_2 = 0,773X_1 + \varepsilon_1$
Equation of sub structure 2: $Y = 0,467X_1 + 0,447X_2 + \varepsilon_2$

Hypothesis test

First Hypothesis Testing (H1)

The analysis results to determine the direct effect of service quality (X1) on customer loyalty (Y) resulted in the following model: Y = 0.467 X1. The service quality coefficient is 0.467, meaning that every time there is an improvement in service quality, it will increase the customer loyalty of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. Based on the significance test results, a significance value of 0.000 was obtained, where the value was less than 0.05. It means that Ho is rejected and Ha is accepted. This means that the service quality variable has a positive and significant effect on the customer loyalty variable of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

Second Hypothesis Testing (H2)

The analysis results to determine the direct effect of customer satisfaction (X2) on customer loyalty (Y) produces the following model: Y = 0.447 X2. The coefficient of customer satisfaction is 0.447, meaning that every time there is an increase in customer satisfaction, it will increase the customer loyalty of PT. Ultrajaya Milk Industry Co Tbk East Jakarta amounted to 0.447. Based on the significance test results, a significance value of 0.000 was obtained where the value was less than 0.05. It means that H0 is rejected and Ha is accepted. This means that the customer satisfaction variable has a positive and significant effect on the customer loyalty variable of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

Third Hypothesis Testing (H3)

The analysis results to determine the direct effect of service quality (X1) on customer satisfaction (X2) produces the following model: X2 = 0.773 X1. The service quality coefficient is 0.773, meaning that every time there is an increase in service quality, it will increase customer satisfaction with PT. Ultrajaya Milk Industry Co Tbk East Jakarta amounted to 0.773. Based on the significance test results, a significance value of 0.000 was obtained where the value was less than 0.05. It means that H0 is rejected and Ha is accepted. This means that the service quality variable has a positive and significant effect on the customer satisfaction variable of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

Fourth Hypothesis Testing (H4)

The results of the analysis to determine the indirect effect of service quality (X1) on customer loyalty (Y) through customer satisfaction (X2) produces the following model: X1 → X2 → Y = (0.773 x 0.447) = 0.346. Based on the calculations that have been made, the direct influence of service quality (X1) on customer loyalty (Y) is 0.467. In contrast, the indirect effect of service quality (X1) on customer loyalty (Y) through customer satisfaction (X2) is 0.346. The direct effect is greater than the indirect effect, so H0 is accepted, and Ha is rejected. This means that service quality has no significant effect on customer loyalty through customer satisfaction PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. Alternatively, in other words, the customer satisfaction variable (X2) does not mediate the relationship between service quality (X1) and customer loyalty (Y).

FINDINGS AND DISCUSSION

Direct Effect

The Effect of Service Quality on Customer Loyalty PT. Ultrajaya Milk Industry Co Tbk East Jakarta

The study results indicate that an increase in service quality will encourage increased customer loyalty. This means that the company has accurate service capabilities. Delivering services according to the agreed time, the willingness of employees to help and respond to customers, employee behavior can foster customer trust, companies can create a sense of security for customers, understand customer problems, give attention to customers, the availability of complete facilities and employees always look gracious, polite and neat. This is reinforced by Putra & Suslistyawati's (2018) research and Putri & Utomo's (2017), which state that service quality has a positive and significant effect on customer loyalty.

The Effect of Customer Satisfaction on Customer Loyalty of PT. Ultrajaya Milk Industry Co Tbk East Jakarta

The research results show that increased customer satisfaction will encourage increased customer loyalty. This means that customers are satisfied with the fulfillment of their desires, customer behavior from the results of their experience using their products, customers will recommend the results of their experiences to others, customers are satisfied with the services of employees, customers have expectations and benefits for their products, the company has a good reputation for its products. In addition, the product image and the location of the company is selling the product can be easily affordable. This is reinforced by research by Sumertana (2016) and Utama & Kusuma (2019), which state that service quality has a positive and significant effect on customer loyalty.

The Effect of Service Quality on Customer Satisfaction PT. Ultrajaya Milk Industry Co Tbk East Jakarta

The study results indicate that an increase in service quality will encourage increased customer satisfaction. The better the quality of service the company's employees provided, the more customer satisfaction at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. This is in line with Putra and Sulistyawati's research (2018) results, which states that service quality affects customer satisfaction significantly. Improving the skills and abilities of employees and the company's ability to provide accurate services will encourage customers to persist in using their products, customers feel satisfied with their desires fulfilled, and customer behavior is formed as a result of the experience of using the product.

The Effect of Service Quality on Customer Loyalty through Customer Satisfaction At PT. Ultrajaya Milk Industry Co Tbk East Jakarta

Based on the results of hypothesis testing using path analysis, the fourth hypothesis in this study was rejected. This means that service quality has no significant effect on customer loyalty through customer satisfaction of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. Thus customer satisfaction does not mediate the relationship between service quality and customer loyalty. The direct effect of service quality on customer loyalty is greater than the indirect effect of service quality on customer loyalty through job customer satisfaction. The

results of this study are in line with the results of Sumentana's research (2016), which concludes that customer satisfaction as a moderating variable does not mediate the effect of service quality on customer loyalty.

The results of the path analysis show that the existence of perfect service quality has a significant direct effect on customer loyalty without going through customer satisfaction. For example, in PT. Ultrajaya Milk Industry Co. Tbk East Jakarta, the quality of service is carried out through the company's reliability in serving customers accurately and on time as agreed. The company's responsiveness to customers where employees always help and respond to customer complaints. The company's guarantees to customers provide a sense of security for their products. The company's empathy for customers understands and gives serious attention to the problems faced by customers. Physical evidence within the company is the completeness of the available facilities and is also polite, friendly with employees towards customers and has a neat appearance.

CONCLUSIONS AND SUGGESTIONS
Conclusion
Based on the results of research that has been done at PT. Ultrajaya Milk Industry Co Tbk East Jakarta can be concluded: 1). Service quality has a positive and significant direct effect on customer loyalty at PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. 2). Customer satisfaction has a positive and significant direct effect on customer loyalty PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. 3). Service quality has a positive and significant direct effect on customer loyalty PT. Ultrajaya Milk Industry Co. Tbk East Jakarta. 4). Service quality has a positive and significant indirect effect on customer loyalty through customer satisfaction of PT. Ultrajaya Milk Industry Co. Tbk East Jakarta.

Suggestion
Based on the conclusions above, some suggestions can be made: 1). PT. Ultrajaya Milk Industry Co. Tbk is expected to improve the quality of service that is more excellent, and existing facilities can be well maintained, make customers comfortable, and improve work time discipline further so as not to be late in providing services to customers. Customer satisfaction is the dominant factor affecting customer loyalty in a company. 2). For future researchers, it is hoped that in future research, more samples will be used so that the results of the research obtained will be more accurate and conduct research with the same aspects by adding variables related to these aspects to know better the variables that influence this research.

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