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**THE EFFECT OF PRICE AND PRODUCT QUALITY TOWARDS CUSTOMER LOYALTY OF TELKOMSEL INTERNET PACKAGE USERS (CASE STUDY: INTERNATIONAL BUSINESS ADMINISTRATION STUDENTS AT SAM RATULANGI UNIVERSITY)**

*PENGARUH HARGA DAN KUALITAS PRODUK TERHADAP LOYALITAS PELANGGAN PADA PENGGUNA KARTU PAKET INTERNET TELKOMSEL (STUDI KASUS: MAHASISWA INTERNATIONAL BUSINESS ADMINISTRATION DI UNUNIVERSITAS SAM RATULANGI)*

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**Abstract:** The purpose of this study is to ascertain whether Telkomsel customers remain devoted to current promotions. This study uses quatitative methods and uses multiple linear regression tests to determine the effect of Price and Product Quality towards Customer Loyalty. The sample for this study was 100 respondents. The sampling technique used is the purposive sampling method and data collection method in the form of a questionnaire run through Google Form. Testing and analysis of data in this study using SPSS 22 software. The results showed that Price (X1) partially had a positive and significant effect on Customer Loyalty (Y). Product Quality (X2) has a partial positive and significant effect on Customer Loyalty (Y). Perceived Value (X1) and Brand Experience (X2) simultaneously have a positive and significant effect on Customer Loyalty (Y). The value of the coefficient of determination ( $R^2$ ) is 0.633 or 63.3% meaning that the independent variables in this study have an effect of 63.3% on customer loyalty and the remaining 36.7% comes from external factors or variables that are not discussed or explained in this study.

**Keyword:** price, product quality, customer loyalty

**Abstrak:** Tujuan dari penelitian ini adalah untuk memastikan apakah pelanggan Telkomsel tetap setia pada promosi saat ini. Penelitian ini menggunakan metode quatitative dan menggunakan uji regresi linier berganda untuk mengetahui pengaruh Harga dan Kualitas Produk terhadap Loyalitas Pelanggan. Sampel penelitian ini sebanyak 100 responden. Teknik pengambilan sampel yang digunakan adalah metode purposive sampling dan metode pengumpulan data dalam bentuk kuesioner yang dijalankan melalui Google Form. Pengujian dan analisis data dalam penelitian ini menggunakan software SPSS 22. Hasil penelitian menunjukkan bahwa Harga (X1) sebagian berpengaruh positif dan signifikan terhadap Customer Loyalty (Y). Kualitas Produk (X2) berpengaruh positif dan signifikan terhadap Customer Loyalty (Y). Perceived Value (X1) dan Brand Experience (X2) secara bersamaan berpengaruh positif dan signifikan terhadap Customer Loyalty (Y). Nilai koefisien determinasi ( $R^2$ ) sebesar 0,633 atau 63,3% artinya variabel bebas dalam penelitian ini berpengaruh sebesar 63,3% terhadap loyalitas pelanggan dan sisanya sebesar 36,7% berasal dari faktor atau variabel eksternal yang tidak dibahas atau dijelaskan dalam penelitian ini.

**Kata Kunci:** harga, kualitas produk, loyalitas pelanggan

## INTRODUCTION

### Research Background

Advances in highly advanced technology at a rapid pace resulting in an increase in globalization in various fields and joints of life, one of which is the field of information technology, where information can now be known quickly by the public all over the world without worrying about the territorial boundaries of the country separating. Especially with the presence of the internet that has a function to connect one electronic media with another quickly and precisely. Where the communication network, will convey some information sent through signal

transmission with an adjusted frequency. Increasing number of Internet users causing the demand for internet packages to also be high. Coupled with the covid-19 pandemic situation which is still ongoing for 2 years, it has an impact on all sectors, including the education sector.

Several Telecommunications companies compete to issue or offer internet cards that have been filled with quota or can be called disposable packages or regular package refills. Disposable packages on the market are also one of the products sought after by consumers, apart from the relatively cheap price of ordinary package refills. Telecommunications service companies are competing to offer their products with various features needed by consumers. Based on data from the APJII 2022 survey, Telkomsel providers are the most widely used operators with the amount of Telkomsel Indonesia user data as many as 41.94% of users. With the achievements that Telkomsel has achieved, customer loyalty is formed. Loyalty is something that must be built by a business or company so that the business can compete and survive in the market. Loyal customers have a positive impact on the company, not only making repeat purchases but also loyal customers not infrequently promote the products or services that they use to other people and vice versa if the customer feels disappointed, he will tell a bad experience about the product or service he bought. Use. The factors that influence loyalty are price and product quality.

Price is one of the factors that must be controlled in a harmonious and in line with the goals to be achieved by the company. This condition makes consumers more flexible in choosing the services offered by quality telecommunication service companies, then followed by affordable prices or in accordance with the purchasing power of consumers. According to several buyers who have used Telkomsel products, there are still some things that need attention from Telkomsel.

The other thing that affects customer loyalty is product quality. Product quality is the totality of features and characteristic of a product or service that depend on its ability to satisfy stated or implied needs. If a product or service performs better, it is said to be of high quality. Good quality products are valued by customers, so it is very important to improve the quality of certain offerings. A product even though it has a affordable price but if it does not have good quality then the product will disappoint customers.

Because of the outbreak of the corona virus in Indonesia in 2020 to 2021 even now, it requires people to do more activities at home for educational activities must also be done at home or online, this makes consumers need mobile data packages to access various services, such as Education services. Understanding these conditions, Telkomsel takes advantage of this phenomenon by presenting attractive offers such as internet packages for students, namely 50GB packages (5GB Kemdikbud Internet Quota & 45GB Kemdikbud Learning Quota). The Education Internet Package has an active period of 30 days, and each recipient of this internet data package assistance, regardless of segmentation, can get it every month until December 2020. The initiative is expected to be able to help students to be able to participate in distance learning activities well, while strengthening the efforts that have been made previously by Telkomsel. The problem that the researcher got is this internet packages has not able anymore. So that, the students need to pay more for another package that more expensive. The researcher conducted this topic is to solve the problem that has mentioned before, which to know if the customer of Telkomsel still be loyal with the product quality of Telkomsel with the latest offer price. The researcher will examine the price and product quality variable on customer loyalty, so that it will show the results whether if their customer especially the students will still be loyal or not. With the background above, the researcher is interested in researching price and product quality variables that affect the variable customer loyalty. In this study, the object of the research that will be studied is telkomsel internet packages product and research will be carried out on International Business Administration students at Sam Ratulangi University, thus this research is conducted with the substance "Effect Of Price And Product Quality Towards Customer Loyalty Of Telkomsel Internet Package Users (Case Study: International Business Administration Students At Sam Ratulangi University)".

### **Research Objective**

Based on the description of the problem formulation above, the objectives in this study are:

1. To find out the effect of price on customer loyalty of telkomsel package users of international business administration students in Sam Ratulangi University.
2. To find out the effect of product quality on customer loyalty of telkomsel package users of international business administration students in Sam Ratulangi University.
3. To find out the effect of price and product quality on customer loyalty of telkomsel package users of international business administration students in Sam Ratulangi University.

## **THEORETICAL FRAMEWORK**

## Marketing

According to Kotler and Keller (2014), marketing is a social and managerial process in which individuals and groups get what they need and want by creating, offering and exchanging products of value with other parties. While definition according to Stanton (2013), namely marketing is a total system of business activities designed to plan, determine prices, promote and distribute goods that satisfy desires and services both to current and potential consumers.

## Customer Loyalty

Nela and Hakim (2015) stated that loyalty consumer in general can be interpreted as customer loyalty to use one certain products both goods and services. Creating loyal customers is certainly more profitable and impactful positive for the company when compared to finding new customers because besides being difficult too requires higher costs. Kotler and Keller (2016:153) define that consumer loyalty is a deeply held commitment to repurchase or repatronize a product or service which is preferred in the future regardless of situational influences and marketing efforts that potentially cause switching behavior.

## Price

According to Tjiptono and Chandra (2012), price is the upper feasibility the amount of money paid to obtain the benefits upon products and services provided by the company. According to Nela and Hakim (2015), price is always used as a reason for making purchases. Price is a decent assessment given by consumers for an advantage of a good or service offered in a marketing matter.

## Product Quality

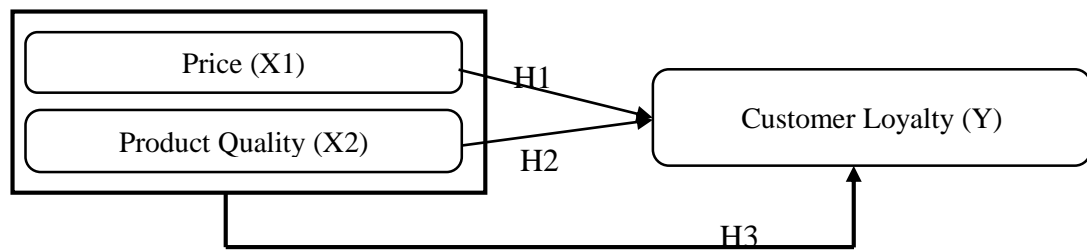
According to Tjiptono (2015), the quality of a product in the form of goods or services is determined through its dimensions. The dimensions of product quality are performance, durability, conformance to specifications, namely the extent to which the basic operating characteristics of a product meet certain specifications from consumers or no product defects are found. Features (features), reliability (reliability), aesthetics (aesthetics), impression of quality (perceived quality) and serviceability.

## Previous Research

Akbar and Nurhaedah (2021) determined the effect of product quality and price on customer loyalty at the Akhwat Makassar sewing house shop (Comparative Study at the RJA Store, Perintis and Alauddin branches) obtained from the questionnaire. The population of this study was 100 consumers of the Akhwat Sewing House of the Perintis branch and Alauddin Makassar. The sampling in this study used the slovin method with the calculation results were 50 respondents. The analysis of this research is Multiple Linear Regression. The results showed that product quality had a positive and insignificant effect on customer loyalty at the RJA Makassar Store. Price has a positive and significant effect on customer loyalty at the RJA Makassar Store. Product quality and price have a positive and significant effect on customer loyalty at the RJA Makassar Store with a large influence of 69.10%.

Putri et al. (2020) aimed to find out the Influence of Product Quality, Price, and Service Quality in Customer Loyalty at PT. Cybernetic Makmur Lestari. This study used qualitative method. The partial test results product quality variable (X1) has a positive and significant effect on consumer loyalty (Y) at PT. Cybernetic Makmur Lestari. The partial test results variable price (X2) has a positive and significant effect on consumer loyalty (Y) at PT. Cybernetic Makmur Lestari. The partial test results service quality variable (X3) has a positive and significant effect on consumer loyalty (Y) at PT. Cybernetic Makmur Lestari. The simultaneous test results of variable product quality (X1) price (X2) and service quality (X3) simultaneously have a positive and significant effect on consumer loyalty at PT. Cybernetic Makmur Lestari.

Jaya, Bagja and Somatri (2020) examined the effect of price and product quality on Indosat Ooredoo's internet customer loyalty in Sukabumi. The research method used is quantitative descriptive, using a sample of 100 Indosat Ooredoo internet users in Sukabumi. The results of the study show that customer loyalty is determined positively and significantly by product quality and product quality with a regression equation  $Y = 4,709 + 0,100 X1 + 0,288 X2$ . Simultaneous analysis results show that price and product quality affect customer loyalty. The t test shows that there is no partial effect between the price of Indosat Ooredoo Internet Loyalty Customers in Sukabumi. Partially there is a positive and significant effect between Product Quality on Indosat Ooredoo's Internet Customer Loyalty in Sukabumi.

**Conceptual Framework****Figure 1. Conceptual Framework***Source: Processed Data (2023)***Research Hypothesis**

H1: Price has a positive effect on Customer Loyalty.

H2: Product Quality has a positive effect on Customer Loyalty.

H3: Price and Product Quality have a simultaneous effect on Customer Loyalty.

**RESEARCH METHOD****Research Approach**

The type of research that the researcher used is quantitative research methods. According to Sekaran and Bougie (2010), quantitative research methods are research based on the philosophy of positivism to examine specific populations or samples and random sampling.

**Population, Sample and Sampling Technique**

According to Sekaran (2011), population can also be called a whole group of people, events, or things that investigators want to investigate. Because the population is unknown, the population in this study is all the students of International Business Administration at Sam Ratulangi University who have used Telkomsel internet package. Therefore, the technique chosen is purposive sampling technique which determines certain considerations or criteria that must be met by the samples used in this research. The criteria are the student of International Business Administration at Sam Ratulangi University that use Telkomsel Internet Package.

**Data Collection Method**

In this research, the data collection technique used was a questionnaire. The questionnaire is a data collection technique that is done by giving a set of written statements that will be answered by the respondents.

**Testing of Research Instrument****Validity Test**

The purpose of validity test is to know whether the instrument is valid or not. According to the theory, the requirements that must be met with the testing criteria are if  $r \geq 0.03$  then the item is declared valid, and if  $r \leq 0.03$  then the item is declared invalid or the significance value is below 5% (0.05) the instrument has been considered as valid.

**Reliability Test**

The reliability test is intended to measure a questionnaire which is an indicator of a variable. Reliability was measured by Cronbach's Alpha statistical test (a). A variable is said to be reliable if it gives a Cronbach's Alpha value  $> 0.6$ .

**Operational Definition of Research Variables****Table 1. Operational Definition and Indicator of Research Variables**

Variable	Operational Definition	Indicators
Price (X1)	Price is the upper feasibility the amount of money paid to obtain the benefits upon products and services provided by the	1. Affordability 2. Price conformity with product quality 3. Price Competitiveness

	company Price is one element of the marketing mix that brings in or income for the company while the other three elements (product, distribution, and promotion) cause the cost of expenses to arise.	4. Price conformity with benefit Source: Tjiptono (2015)
Product Quality (X2)	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.	1. Performance 2. Reliability 3. Features 4. Perceived Quality Source: Kotler and Amstrong (2016)
Customer Loyalty (Y)	Customer loyalty is a deeply held commitment to repurchase or repatronize a product or service which is preferred in the future regardless of situational influences and marketing efforts that potentially cause switching behavior.	1. Repeat Purchases 2. Recommendations 3. No intention of moving 4. Satisfaction Source: Kotler and Keller (2016)

### Testing of Research Instruments

#### Multiple Regression Analysis

Regression analysis is used to determine the effect of the independent variables on the dependent variable. Multiple linear regression analysis is used to estimate how the state (fluctuation) of the dependent variable is, if two or more dependent variables as a predictor factor increase their value decreases (Sugiyono, 2014). The form of multiple linear regression equations is as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Information:

Y	: Customer Loyalty
a	: Constant
b1	: Regression coefficient for X1
X1	: Price
b2	: Regression coefficient for X2
X2	: Product Quality
e	: Error

#### Determination Coefficient Test

The coefficient of determination (R<sup>2</sup>) essentially measures how far the model's ability to explain variations in respondent variables. In the SPSS output, the coefficient of determination lies in the Summary mode table and it says R square. But for the reverse multiple regression using the adjusted R square or written adjusted R square (R<sup>2</sup>) is negative, then the adjusted R square (R<sup>2</sup>) value is considered zero (Ghozali, 2013: 97).

#### Simultaneous Significance Test (Statistical Test F)

F-test is the statistical test intended to determine whether the independent variables simultaneously influence the dependent variable (Maholtra and Birks, 2007). If  $F_{count} \geq F_{table}$  as confidence level of 95% ( $\alpha = 0.05$ ), it means that all the independent variables have a significant effect on the dependent variable simultaneously. If  $F_{count} < F_{table}$  as confidence level of 95% ( $\alpha = 0.05$ ), it means that all the independent variables have a significant effect on the dependent variable simultaneously.

#### Significance Test of Individual Parameters (Statistical Test T)

The t-Test is done to test the regression coefficient partially, this test is done to determine the significance of the role partially between the independent variable and the dependent variable by assuming that other independent variables are considered constant. If the significance value  $> \alpha = 0.05$ , it means that the independent variable does not have a partial influence on the dependent variable. If the significance value  $< \alpha = 0.05$ , it means that the independent variable does not have a partial influence on the dependent variable.

**RESULT AND DISCUSSION****Result****Validity and Reliability Test****Table 2. Result of Validity Test**

Variable	Indicators	Pearson Correlation	Significance Value	Explanation
Price (X1)	X1.1	.878	0.00	Valid
	X1.2	.764	0.00	Valid
	X1.3	.885	0.00	Valid
	X1.4	.856	0.00	Valid
Product Quality (X2)	X2.1	.758	0.00	Valid
	X2.2	.804	0.00	Valid
	X2.3	.837	0.00	Valid
	X2.4	.863	0.00	Valid
Customer Loyalty (Y)	Y.1	.836	0.00	Valid
	Y.2	.852	0.00	Valid
	Y.3	.899	0.00	Valid
	Y.4	.810	0.00	Valid

Source: Processed data (2023)

Based on the table above, the Pearson Correlation value of Price (X1), Product Quality (X2), and Customer Loyalty (X3) are greater than 0.3 or the significance value is below 0.05. So that the research instrument of this research is considered valid.

**Reliability Test****Table 3. Result of Reliability Test**

Variable	Cronbach's Alpha	Status
Price (X1)	.858	Reliable
Product Quality (X2)	.832	Reliable
Customer Loyalty (Y)	.870	Reliable

Source: Processed data (2023)

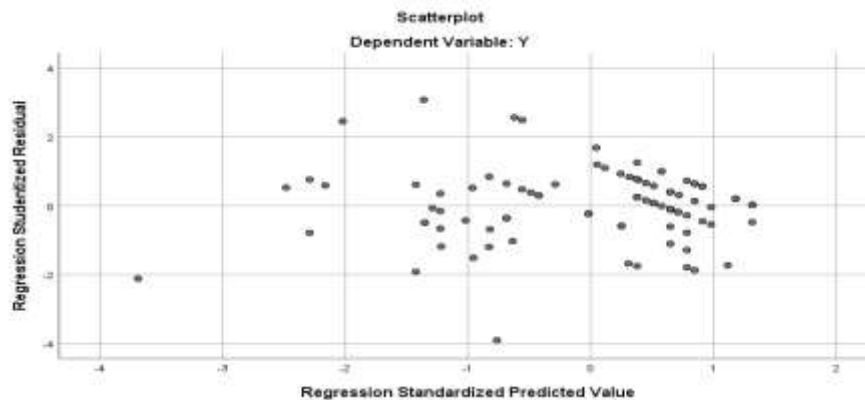
The table above shows the value of Cronbach's Alpha of Price (X1) is 0.858, Product Quality (X2) is 0.832, and Customer Loyalty (Y) is 0.870 in this research, that means statement in this questionnaire is reliable because it has a Cronbach's Alpha value greater than 0.6. So that the variables of this research is considered reliable.

**Classical Assumption Test****Normality Test****Figure 2. Normality Test**

Source: Data Processed (2023)

The figure above shows that the data that represented by the dots are spreading near the diagonal line and follow the direction of diagonal line. It proves that the normality test is normal.

**Heteroscedasticity Test**



**Figure 3. Heteroscedasticity Test**

Source: Data Processed (2023)

Based on the figure above, it shows that the pattern of the dots spread above and below 0 on the Y axis. The result shows that there is no heteroscedasticity in this regression.

**Multicollinearity Test**

**Table 4. Multicollinearity Test**

		Coefficients <sup>a</sup>	
Model		Tolerance	Collinearity Statistics VIF
1	(Constant)		
	Price (X1)	.459	2.180
	Product Quality (X2)	.459	2.180

a. Dependent Variable: Customer Satisfaction (Y)

Source: Data Processed (2023)

According to the table above, the tolerance value of Price (X1) and Product Quality (X2) are 0.459, which means the tolerance value are greater than 0.1. The Variance Inflation Factor (VIF) value of Product Quality (X1) and Location (X2) are 2.180, that means the value are less than 10. So, based on the results this study is free of multicollinearity because the tolerance value are above 0.1 and the Variance Inflation Factor (VIF) are less than 10.

**Multiple Regression Analysis**

**Table 5. Multiple Regression Analysis**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.032	1.442		2.102	.038
Price (X1)	.352	.081	.394	4.340	.000
Product Quality (X2)	.519	.103	.460	5.067	.000

a. Dependent Variable: Customer Loyalty (Y)

Source: Processed data (2023)

Based on the results of the multiple regression analysis, it can be seen that the multiple regression equation is as follows:

$$Y = 3.032 + 0.352 X_1 + 0.519 X_2 + e$$

The results of the multiple regression equation above provide the understanding that:

1. The value of the constant is 3.032. It can be seen that if the price and product quality value is zero (0), then the amount of customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University is 3.032.
2. The regression coefficient of Price (X1) is positive. It can be interpreted if the price increases by one unit, then the customer loyalty will increase by 0.352 unit with the assumption that the other variables are fixed or constant.
3. The regression coefficient of Product Quality (X2) is positive. It can be interpreted if the product quality increases by one unit, the customer loyalty will increase by 0.519 unit with the assumption that the other variables are fixed or constant.

### The Coefficient of Determination ( $R^2$ )

**Table 6. The Coefficient of Determination ( $R^2$ )**

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.796 <sup>a</sup>	.633	.626	2.008

a. Predictors: (Constant), Price (X1), Product Quality (X2)

b. Dependent Variable: Customer Loyalty

Source: Data Processed (2023)

The value of the coefficient of determination ( $R^2$ ) is 0.633 or 63.3% meaning that the independent variables in this study have an effect of 63.3% on customer loyalty and the remaining 36.7% comes from external factors or variables that are not discussed or explained in this study.

### Hypothesis Testing

#### Partial Test (T)

**Table 7. The t-Test**

Model	Coefficients				t	Sig.
	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	Beta			
(Constant)	3.032	1.442			2.102	.038
Price (X1)	.352	.081	.394		4.340	.000
Product Quality (X2)	.519	.103	.460		5.067	.000

a. Dependent Variable: Customer Loyalty (Y)

Source: Processed data (2023)

Based on the table above, it shows that:

1. The results of the t-test for price variable are obtained the tcount value is 4.340. The value tcount = 4.340 is greater than the value of ttable = 1.984 with the significance of 0.000 which smaller than 0.05. So, the hypothesis which states that "Price has a partial effect on Customer Loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University" is accepted.
2. The statistical results of the t-test for product quality variable are obtained the tcount value is 5.067 with the significance of 0.000 which smaller than 0.05. The value tcount = 5.067 is greater than the value of ttable = 1.984. So, the hypothesis which states that "Product Quality has a partial effect on Customer Loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University" is accepted.

#### Simultaneous Test (F)

Based on the F-test, by using the significance value of 0.05 ( $\alpha = 0.05$ ), so the calculated is Fcount = 83.794 > Ftable = 3.090 with the significance value of 0.000 that smaller than 0.05. Since the Fcount is greater than Ftable, H0 is rejected and Ha is accepted. It means that the hypothesis which states "price and product quality simultaneously affect the dependent variable which is customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University" is accepted.



**Table 8. The f-Test**

		ANOVA <sup>a</sup>				
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	675.804	2	337.902	83.794	.000 <sup>b</sup>
	Residual	391.156	97	4.033		
	Total	1066.960	99			

a. Dependent Variable: Customer Loyalty

b. Predictors: (Constant), Price, Product Quality

Source: Data Processed (2023)

## Discussion

### The Influence of Price on Customer Loyalty

This research shows that price partially has a positive and significant effect towards customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. The significance means that the product quality variable that is perceived by the customers feels benefits that are in accordance with the prices offered by Telkomsel for internet packages. This can be seen from the questionnaire respondent who tends to agree on all aspects of the price indicators found on Telkomsel internet package users in the International Business Administration of Sam Ratulangi University, such as the statement item that has the highest average value, namely "The price offered on Telkomsel internet packages is in accordance with the benefits needed by consumers". It proves that Telkomsel has provided a price offer that is in accordance with the benefits felt by customers, especially International Business Administration students of Sam Ratulangi. The result is similar with the previous research conducted by Wantara and Tambrin (2019); Putri et al. (2020), Prasada and Sukawati (2020) that shows there is a significant relationship between price and customer loyalty. Consumers themselves have a perception of the price that the higher the price of the product is getting higher and higher product quality. When a product requires consumers incurring costs that are greater than the benefits received, what happens is the product will have a negative value. Consumers will probably think of it as poor value and will then reduce consumption of the product. Instead if the benefits obtained are greater than what happens is that the product will have positive value.

### The Influence of Product Quality on Customer Loyalty

Product quality has also been shown to affect increasing customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. This can be seen from the positive and significant influences of Product Quality (X2) towards Customer Loyalty (Y). Based on the results of hypothesis tests that have been carried out, it turns out that there is a significant influence of product quality variables on consumer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. This result is similar to Putri et al. (2020) that product quality variable has a positive and significant effect on consumer loyalty (Y). According to Tjiptono (2015) the quality of a product in the form of goods or services is determined through its dimensions. The dimensions of product quality are performance, durability, conformance to specifications, namely the extent to which the basic operating characteristics of a product meet certain specifications from consumers or no product defects are found. If the quality of the product felt by consumers meets their expectations, then consumers will feel satisfied and expected to buy the product again. The quality of Telkomsel products is already good compared to other products. So that it can attract more consumers, Telkomsel must continue to maintain quality its products in order to foster consumer loyalty to the quality of Telkomsel products, especially for internet packages. If the quality of the products offered by Telkomsel does not match the price offered, then consumers will be disappointed and will switch to other brands.

### The Influence of Price and Product Quality on Customer Loyalty

There are many factors that can affect customer loyalty, some of it was proven in this research which are Price and Product Quality. This research was dominated by female respondents with young age. Customer loyalty is important in marketing, because it creates loyal customers. When the customer is loyal, they will recommend the product to others. Companies that are able to get a high level of customer loyalty will generally be superior to their competitors. Based on the results of the statistical tests that have been carried out, it shows there is a positive and significant influence of price and product quality towards customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. It can be concluded that price and product quality simultaneously have a significant positive influence towards customer loyalty. It means that

if the product quality and location are getting better than the customer satisfaction tends to be better too, on the other hand if the price and product quality are getting worse, than the customer loyalty will get lower.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

Based on the results of the research and discussion in the previous chapter, the conclusions are:

1. The price variable partially has a positive and significant effect towards customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. It means that the good price of Telkomsel internet package will increase the customer's loyalty.
2. The product quality variable partially has a positive and significant effect towards customer loyalty of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. It means that the higher the product quality of Telkomsel internet package will increase the customer's loyalty.
3. The independent variables which are Price and Product Quality simultaneously effect the Customer Loyalty of of Telkomsel internet package users in the International Business Administration of Sam Ratulangi University. It can be interpreted that when Telkomsel internet package has a good price and good product quality at the same time, it will increase their customer loyalty.

### Recommendations

Based on the conclusions in this research, the following suggestions can be given are:

1. The price offered by Telkomsel, which is quite affordable, is one of the things that can attract the attention of consumers. Therefore, Telkomsel's advantages in terms of affordable internet package prices can continue to be maintained and maintained, in order to compete with other products.
2. According to customers, the product quality has already in a good quality that makes the customers feel satisfied so that the customers be loyal and and will continue to use Telkomsel internet packages. So, in the future the company just need to maintain their product quality and even improve the quality.
3. The next research can improve the limitations that exist in this research. The next research can replace the object or place of research or replace and add variables, both independent and dependent.

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