

Chapter 5

Conclusion and Recommendations

5.1 Conclusion

This study examined the influence of customer satisfaction, switching costs, and perceived service quality on customer loyalty at the container shipping industry in PT Lintas Indonesia Timur Lines. Based on the results of the discussion using Structural Equation Models, the conclusion of this study are as follows:

1. Perceived Service Quality is proven have a positive effect and significant on Customer Loyalty. The respondent response on perceived service quality determines the loyalty of customer in PT Lintas Indonesia Timur Lines. The research result is also proven that perceived service quality can influence customer to remain loyal to company. As long as the service is good can make customer stay and choose to not change to another services.
2. Switching Costs is proven have a negative effect but not significant on Customer Loyalty. The respondent response on switching costs determines the loyalty of customer in PT Lintas Indonesia Timur Lines. The research result is also proven that switching costs can't influence to switch to another company. Customer choose to remain loyal because the service of company is good and make them satisfied with the service so they choose to not change to another services.
3. Customer Satisfaction is proven have a positive effect and significant on Customer Loyalty. The respondent response on customer satisfaction determines the loyalty of customer in PT Lintas Indonesia Timur Lines. The research result is also proven that customer satisfaction can influence customer to remain loyal to company. Customer will be satisfied as long company do good service to them and meet their expectation so they choose to not change to another services.

4. Customer Satisfaction is proven to have a positive effect and significant on Switching Costs. The respondent response on customer satisfaction determines the switching costs in PT Lintas Indonesia Timur Lines. The research result is also proven that customer satisfaction can influence customer to switch to another company. If the customer not satisfied with the services of the company, they can change to another services which can fulfill their expectation.
5. Perceived Service Quality is proven to have a positive effect and significant on Switching Costs. The respondent response on perceived service quality determines the switching costs in PT Lintas Indonesia Timur Lines. The research result is also proven that perceived service quality can influence customer to switch to another company. If the company service quality is bad, they can change to another services which can fulfill their expectation

5.2 Suggestion

5.2.1 Academic Suggestion

The research study result can be used for the other academics and researchers who do similar research study or continual study about influence around Customer Satisfaction, Switching Costs, Perceived Service Costs, and Customer Loyalty. This research focus on Effect of Customer Satisfaction, Switching Costs, Perceived Service Quality to Customer Loyalty in PT Lintas Indonesia Timur Lines. It can be implement with other object according to the other research object

5.2.2 Practical Suggestion

Based on the results of this study perceived service quality and customer satisfaction has positive effect towards switching costs. Therefore, PT Lintas Indonesia Timur Lines need to be aware of their service quality and satisfaction of customer because if not the customer choose to switch to another service company that can give the service better. In the results of the study shows that perceived

service quality and customer satisfaction have positive effect towards customer loyalty. Therefore, PT Lintas Indonesia Timur Lines already have good services that make customer satisfied and remain loyal to the company. But it doesn't mean PT Lintas Indonesia Timur Lines can't improve their service to attract more customer and the company still run well in the futures. The activities that can be done are as follow:

1. PT Lintas Indonesia Timur Lines need to improve their service quality by make training not only for their front service but also for all employee. Providing training is used to understand the way they should talk to, interact with, and help solve the problem for customer. Providing employee training can give the employee the tools to make good service quality to the customers.
2. PT Lintas Indonesia Timur Lines need to improve their satisfaction of the customer. There are many ways to increase the satisfaction of customer like listen to the customer problem or advice can make customer respect and eventually make customers satisfied. Increasing consistency of the service like delivery on time can make customer satisfied and choose to remain loyal. Therefore, maintenance of the container shipping, truck and forklift container is important as it used for container shipment business. Another thing like make special program like discount for loyal customer can also help to make customer not want to switch to other services.

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