

## **ABSTRACT**

*The retail industry has undergone a significant transformation with the emergence of digital technology, enabling customers to shop through online applications. This development has intensified competition among e-commerce platforms affiliated with minimarkets, such as Klik Indomaret and Alfagift. In this highly competitive business environment, service quality and pricing strategies play a crucial role in determining customer loyalty.*

*Klik Indomaret, as one of the leading online shopping platforms, faces challenges in retaining customers amid competition. This study aims to analyze the influence of service quality and price on customer loyalty, with customer satisfaction as a mediating variable. The research was conducted among Klik Indomaret users in Semarang using a quantitative survey-based method. Data were collected from 160 respondents and analyzed using Structural Equation Modeling (SEM) with AMOS software.*

*The results indicate that service quality and price have a positive and significant effect on customer loyalty. However, customer satisfaction as a mediating variable does not provide a stronger effect than the direct impact of independent variables on customer loyalty. This suggests that customers tend to remain loyal due to their perception of service quality and competitive pricing rather than through customer satisfaction first.*

*These findings suggest that Klik Indomaret's management should prioritize improving service quality and implementing more competitive pricing strategies to enhance customer loyalty. Additionally, this study contributes to academic discussions by demonstrating that the effectiveness of customer satisfaction as a mediator may vary depending on industry context and customer preferences.*

*Keywords: Retail industry, service quality, price, customer satisfaction, customer loyalty, Klik Indomaret.*