

The Influence of Price Fairness and Service Quality on Customer Loyalty at Alfamart Gorontalo

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Abstract

Keywords:

Alfamart, Customer Loyalty, Gorontalo, Price Fairness, Service Quality.

This study investigates the effects of price fairness and service quality on customer loyalty at Alfamart stores in Gorontalo City. The research is motivated by the rapid growth of the modern retail industry and increasing market competition, which require retailers to strengthen customer loyalty through fair pricing practices and superior service delivery. A quantitative approach with a causal associative design was employed. Data were collected from 96 Alfamart customers selected through purposive sampling based on the Lemeshow formula. A structured questionnaire using a five-point Likert scale was administered, and the data were analyzed using multiple linear regression. Classical assumption tests, including normality, multicollinearity, and heteroscedasticity tests, were conducted to ensure model validity. Hypothesis testing was performed using t-tests and F-tests, while the coefficient of determination (R^2) was used to assess explanatory power. The results indicate that price fairness has a positive and significant effect on customer loyalty ($t = 4.629$; $p < 0.001$). Service quality also positively and significantly influences customer loyalty ($t = 4.710$; $p < 0.001$). Furthermore, price fairness and service quality simultaneously exert a significant positive effect on customer loyalty ($F = 47.382$; $p < 0.001$). The coefficient of determination ($R^2 = 0.511$) reveals that both variables explain 51.1% of the variation in customer loyalty. Service quality emerged as the more dominant predictor. These findings suggest that integrating fair pricing strategies with continuous service quality improvement is essential for enhancing customer loyalty and sustaining competitiveness in the modern retail sector.

INTRODUCTION

The modern retail sector in Indonesia has undergone substantial transformation over the last decade. Rapid urbanization, changing consumer lifestyles, increasing purchasing power, and growing demand for convenience have accelerated the expansion of modern retail formats across the country. As a result, retail businesses have become increasingly important in meeting consumers' daily needs by offering accessibility, product variety, and a more efficient shopping experience. This development is evident not only in major metropolitan areas but also in small and medium-sized cities, including those located in Eastern Indonesia.

Retailing encompasses all activities involved in selling goods and services directly to end consumers for personal consumption rather than business purposes (Kotler & Armstrong, 2021). Among various retail formats, minimarkets have emerged as one of the most preferred shopping destinations because they provide convenience, product availability, and a comfortable shopping environment. Consequently, the minimarket industry has become one of the most dynamic and competitive segments within the Indonesian retail market.

Consumer purchasing decisions in retail settings are influenced by multiple considerations. According to Taan (2021), customers generally evaluate factors such as price affordability, price-quality congruence, price competitiveness, and the value received before making purchasing decisions. These considerations indicate that consumers are increasingly sensitive to pricing practices and tend to favor retailers that provide fair value for money.

At the national level, the minimarket industry is dominated by two leading retail chains, namely Alfamart and Indomaret. Among these competitors, Alfamart, operated by PT Sumber Alfaria Trijaya Tbk, has demonstrated remarkable growth and market penetration throughout Indonesia. The company's expansion can be observed through the increasing number of stores established during recent years, as presented in Table 1.

Table 1. Growth of Alfamart Outlets, 2023–2025

Tahun	Jumlah Gerai Alfamart	Total Gerai (Termasuk Entitas Anak)	Pertumbuhan / Keterangan
2023	± 17.087 gerai	± 20.798 gerai	Basis sebelum ekspansi besar
2024	19.087 gerai	22.670 gerai	Tumbuh ±9% (+ 1.872 gerai)
2025 (Q3)	19.971 gerai	–	+ 884 gerai (YtD)
2025(Akhir)	20.120 gerai	23.277 gerai	Net + 1.033 gerai; buka 1.400+, tutup 400+

Source: PT Sumber Alfaria Trijaya Tbk (AMRT), Liputan6, Majalah Franchise Indonesia (2024–2025).

As illustrated in Table 1, Alfamart has maintained a consistent growth trajectory. In 2024, the company operated 22,670 outlets, including subsidiary stores, representing approximately 9% growth compared with the previous year. By the end of 2025, Alfamart had achieved a net increase of 1,033 outlets, bringing the total number of stores to 20,120, while the combined number of company-operated and subsidiary outlets reached 23,277. This extensive expansion strategy has strengthened the company's presence in numerous strategic regions, including Gorontalo Province. Furthermore, the establishment of additional logistics facilities in Gorontalo reflects the company's commitment to supporting retail operations in Eastern Indonesia.

Despite this remarkable expansion, the increasingly competitive retail landscape presents significant challenges for maintaining long-term customer relationships. In highly competitive markets, customer loyalty constitutes a valuable strategic asset because loyal customers tend to engage in repeat purchases, exhibit resistance to competitors' offers, and actively recommend a retailer to others. Griffin (2005) defines customer loyalty as a strong commitment to repurchase or continue patronizing a preferred product or service despite the influence of situational factors and competitive marketing efforts. Therefore, fostering customer loyalty has become a critical objective for retail organizations seeking sustainable business performance.

One factor frequently associated with customer loyalty is price fairness. According to Taan (2021), price is a crucial factor in determining consumer purchasing interest. Consumers will be more interested in making a purchase if the price offered is perceived as affordable, competitive, and commensurate with the benefits received. Therefore, the perception of price fairness is a crucial aspect in creating long-term relationships between companies and customers.. Customers who perceive pricing policies as equitable are more likely to experience satisfaction and develop favorable attitudes toward a retailer. Conversely, perceptions of unfair pricing may lead to

dissatisfaction and reduce consumers' willingness to maintain a long-term relationship with a retail brand.

Another important determinant of customer loyalty is service quality. Parasuraman, Zeithaml, and Berry (1988) proposed the SERVQUAL framework, which conceptualizes service quality through five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. High-quality service enables retailers to create positive shopping experiences, strengthen customer satisfaction, and encourage repeat patronage. In modern retailing, superior service often serves as a key competitive advantage, particularly when competing firms offer relatively similar products and pricing structures.

In the context of Gorontalo, consumers have become increasingly selective when choosing retail outlets. Purchasing decisions are no longer based solely on store proximity or product availability; customers also evaluate whether prices are perceived as fair and whether service performance meets their expectations. Such behavioral changes create additional pressure for retailers to continuously improve their pricing strategies and service standards in order to maintain customer loyalty.

Previous empirical studies have highlighted the importance of both price fairness and service quality in shaping customer loyalty. Cakici, Akgunduz, and Yildirim (2021) reported that perceived price fairness significantly influences customer loyalty through customer satisfaction. Likewise, Ahmed et al. (2022) demonstrated that fair pricing practices and service quality jointly contribute to stronger customer loyalty. Although these relationships have been widely examined in various industries, empirical evidence focusing specifically on modern retail businesses in Gorontalo remains limited. This gap indicates the need for further investigation to better understand the factors influencing customer loyalty within the local retail context.

Therefore, this study aims to examine the effects of price fairness and service quality on customer loyalty at Alfamart stores in Gorontalo City. The findings are expected to contribute to the growing body of knowledge in retail marketing and consumer behavior while providing practical insights for retail managers in designing effective strategies to strengthen customer loyalty and sustain competitive advantage in an increasingly challenging business environment.

LITERATURE REVIEW

Price Fairness

Price fairness has become an important construct in consumer behavior and marketing literature. According to Xia, Monroe, and Cox (2004), price fairness refers to consumers' judgments regarding whether a seller's pricing practices are reasonable, acceptable, and justifiable when compared with relevant reference prices. Consumers evaluate not only the amount of money paid but also whether the pricing process is perceived as equitable.

Herrmann et al. (2007) further explain that perceptions of price fairness are influenced by distributive fairness and procedural fairness. Distributive fairness relates to the reasonableness of the final price paid, whereas procedural fairness concerns the transparency and appropriateness of the pricing mechanism. When consumers perceive that prices are fair and consistent with the value received, they are more likely to develop favorable attitudes toward a retailer.

In the context of modern retailing, price fairness is commonly reflected through price transparency, competitive pricing, reasonable promotional offers, and consistency between product quality and price. Positive perceptions of these aspects can enhance customer satisfaction and strengthen loyalty toward a retail store.

Service Quality

Service quality is widely recognized as a critical determinant of organizational success and customer retention. Parasuraman, Zeithaml, and Berry (1988) define service quality as the discrepancy between customers' expectations and their perceptions of the actual service received. A service is considered high quality when performance meets or exceeds customer expectations.

The SERVQUAL model identifies five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. Tangibles refer to physical facilities, equipment, and employee appearance. Reliability reflects the ability to deliver promised services accurately and consistently. Responsiveness concerns employees' willingness to assist customers promptly. Assurance encompasses employee competence, courtesy, and trustworthiness, while empathy represents individualized attention and understanding of customer needs.

Within the retail industry, superior service quality contributes to a positive shopping experience, strengthens customer trust, and encourages repeat patronage. Consequently, service quality serves as an important competitive advantage, particularly in highly competitive markets where products and prices are relatively similar across retailers.

Customer Loyalty

Customer loyalty represents a long-term commitment to repeatedly purchase products or services from a preferred provider. Griffin (2005) defines customer loyalty as a strong commitment to repurchase or continue using a particular product or service despite competitive pressures and situational influences that may encourage switching behavior.

Loyal customers not only engage in repeat purchases but also tend to recommend the retailer to others and demonstrate resistance to competitors' promotional activities. According to Kotler and Keller (2016), customer loyalty reflects the degree of attachment customers develop toward a brand or company. Therefore, fostering loyalty is essential for maintaining sustainable business performance and achieving long-term profitability.

Customer loyalty is commonly characterized by regular repeat purchases, willingness to purchase across product categories, positive word-of-mouth recommendations, and resistance to competitive offerings. These behavioral indicators are frequently used to assess the strength of customer loyalty in retail settings.

Conceptual Framework

This study examines the influence of price fairness and service quality on customer loyalty among Alfamart customers in Gorontalo City. Price fairness is measured through price comparison, fairness of pricing procedures, price transparency, and competitive pricing. Service quality is assessed using the SERVQUAL dimensions, namely tangibles, reliability, responsiveness, assurance, and empathy. Customer loyalty is reflected by repeat purchasing behavior, cross-buying intentions, recommendations to others, and resistance to competitors.

Based on the theoretical framework, price fairness and service quality are proposed as independent variables, while customer loyalty serves as the dependent variable.

Conceptual Model

Price Fairness (X_1) \rightarrow Customer Loyalty (Y)

Service Quality (X_2) \rightarrow Customer Loyalty (Y)

Price Fairness (X_1) + Service Quality (X_2) \rightarrow Customer Loyalty (Y)

Hypothesis Development

Price Fairness and Customer Loyalty

Consumers who perceive prices as fair are more likely to develop positive evaluations of a retailer and maintain long-term relationships with the company. Fair pricing practices create trust and satisfaction, which subsequently foster customer loyalty. Previous studies have consistently reported a positive association between perceived price fairness and customer loyalty.

H1: Price fairness has a positive and significant effect on customer loyalty at Alfamart in Gorontalo.

Service Quality and Customer Loyalty

High-quality service enhances customer experiences, increases satisfaction, and strengthens emotional attachment toward a retailer. Customers who receive reliable, responsive, and empathetic service are more likely to revisit the store and recommend it to others. Therefore, service quality is expected to positively influence customer loyalty.

H2: Service quality has a positive and significant effect on customer loyalty at Alfamart in Gorontalo.

Price Fairness, Service Quality, and Customer Loyalty

Customer loyalty is shaped by both economic and experiential considerations. Fair pricing provides value-based satisfaction, whereas service quality contributes to positive shopping experiences. The integration of these factors is expected to strengthen customer commitment and encourage long-term patronage.

H3: Price fairness and service quality simultaneously have a positive and significant effect on customer loyalty at Alfamart in Gorontalo.

METHODS

This study employed a quantitative approach with a causal associative research design. According to Sugiyono (2019), causal associative research aims to examine the cause-and-effect relationships between two or more variables. The study was conducted at Alfamart outlets located in Gorontalo City, Gorontalo Province, Indonesia. The research site was selected due to the presence of several representative Alfamart stores in Gorontalo City and the increasingly intense competition within the modern retail sector in the region. The study was carried out over a three-month period, from March to May 2026, encompassing the stages of preparation, data collection, data analysis, and report writing.

The population of this study consisted of all Alfamart customers in Gorontalo City who had made purchases at least twice within the previous three months. Based on the average daily transaction data provided by Alfamart management in Gorontalo City, the number of active customers who regularly shopped at Alfamart was estimated to range from 300 to 500 customers per outlet per month. Since the exact population size was unknown (infinite population), the sample size was determined using the Lemeshow formula. Based on the Lemeshow calculation, the minimum required sample size was 96 respondents. To ensure adequate data representation, this study involved exactly 96 Alfamart customers in Gorontalo City. The respondents were distributed across four Alfamart outlets located in major commercial areas of Gorontalo City: Alfamart H.B. Jassin Street (24 respondents), Alfamart Nani Wartabone Street (24 respondents), Alfamart Agus Salim Street (24 respondents), and Alfamart Ahmad Yani Street (24 respondents).

RESULTS AND DISCUSSION

Validity Test

The validity test was conducted by comparing the Pearson correlation coefficient (r -calculated)

with the critical value of r-table ($df = 94, \alpha = 0.05$), which was 0.201. The results of the validity test for each research variable are presented in Tables 2–4.

Table 2. Validity Test Results for Price Fairness (X_1)

No	Statement	r- calculated	r-table	Sig.	Result
1	Alfamart product prices are consistent with product quality	0.612	0.201	0.000	Valid
2	Alfamart prices are more affordable than those of competing stores	0.589	0.201	0.000	Valid
3	There are no hidden charges in transactions	0.647	0.201	0.000	Valid
4	Displayed prices are transparent and clearly communicated	0.631	0.201	0.000	Valid
5	Promotional prices provide tangible benefits	0.574	0.201	0.000	Valid

Source: Processed SPSS 26 Output (2026).

Table 3. Validity Test Results for Service Quality (X_2)

No	Statement	r- calculated	r-table	Sig.	Result
1	Cleanliness and tidiness of Alfamart stores (Tangibles)	0.658	0.201	0.000	Valid
2	Consistent product availability (Reliability)	0.621	0.201	0.000	Valid
3	Employees respond promptly to customer needs (Responsiveness)	0.684	0.201	0.000	Valid
4	Employees are courteous and competent (Assurance)	0.597	0.201	0.000	Valid
5	Employees understand customer needs (Empathy)	0.639	0.201	0.000	Valid

Source: Processed SPSS 26 Output (2026).

Table 4. Validity Test Results for Customer Loyalty (Y)

No	Statement	r-calculated	r-table	Sig.	Result
1	I always choose Alfamart for my daily necessities	0.703	0.201	0.000	Valid
2	I purchase various product categories at Alfamart	0.667	0.201	0.000	Valid
3	I recommend Alfamart to others	0.641	0.201	0.000	Valid
4	I continue shopping at Alfamart despite the presence of competitors	0.688	0.201	0.000	Valid
5	I am not interested in switching to another minimarket	0.615	0.201	0.000	Valid

Source: Processed SPSS 26 Output (2026).

As shown in Tables 2–4, all questionnaire items have r-calculated values greater than the critical r-table value (0.201) and significance levels below 0.05. Therefore, all measurement items are considered valid and suitable for further analysis.

Reliability Test

Table 5. Reliability Test Results

Variable	Cronbach's Alpha	Threshold	Result
Price Fairness (X ₁)	0.813	> 0.600	Reliable
Service Quality (X ₂)	0.841	> 0.600	Reliable
Customer Loyalty (Y)	0.829	> 0.600	Reliable

Source: Processed SPSS 26 Output (2026).

Table 5 indicates that the Cronbach's Alpha values for Price Fairness, Service Quality, and Customer Loyalty are 0.813, 0.841, and 0.829, respectively. Since all values exceed the minimum threshold of 0.600, the instruments are considered reliable and internally consistent.

Classical Assumption Tests

Table 6. Kolmogorov–Smirnov Normality Test

Description	Value	Sig.
Sample Size (N)	96	
Test Statistic (Kolmogorov-Smirnov Z)	0.067	
Asymp. Sig. (2-tailed)		0.200
Conclusion	Normal Distribution	

Source: Processed SPSS 26 Output (2026).

The normality test produced an Asymp. Sig. value of 0.200, which is greater than 0.05. Therefore, the residuals are normally distributed, indicating that the normality assumption has been satisfied.

Table 7. Multicollinearity Test Results

Variable	Tolerance	VIF
Price Fairness (X ₁)	0.643	1.555
Service Quality (X ₂)	0.643	1.555
Conclusion	No multicollinearity detected.	

Source: Processed SPSS 26 Output (2026).

The tolerance values for both independent variables exceed 0.10, while the VIF values are well below 10. These results indicate the absence of multicollinearity in the regression model.

Table 8. Heteroscedasticity Test Results (Glejser Test)

Variable	t-value	Sig.	Result
Price Fairness (X ₁)	1.214	0.228	No Heteroscedasticity
Service Quality (X ₂)	0.978	0.326	No Heteroscedasticity

Source: Processed SPSS 26 Output (2026).

Since the significance values for both variables exceed 0.05, the regression model is free from heteroscedasticity problems.

Multiple Linear Regression Analysis

Table 9. Multiple Linear Regression Results

Variable	B	Std.error	Beta	t-value	Sig.
Constant	3.847	1.124	-	3.423	0.001
Price Fairness (X ₁)	0.412	0.089	0.387	4.629	0.000
Service Quality (X ₂)	0.358	0.076	0.394	4.710	0.000

Source: Processed SPSS 26 Output (2026).

The estimated regression equation is:

$$Y = 3.847 + 0.412X_1 + 0.358X_2 + \epsilon$$

The regression coefficients indicate that both Price Fairness and Service Quality positively contribute to Customer Loyalty.

Hypothesis Testing

Table 10. Partial Test Results (t-test)

Relationship	t-value	t-table	Sig.	Decision
Price Fairness → Customer Loyalty	4.629	1.985	0.000	H ₁ Supported

Service Quality →	4.710	1.985	0.000	H ₂ Supported
Customer Loyalty				

Source: Processed SPSS 26 Output (2026).

The findings indicate that both Price Fairness and Service Quality have positive and statistically significant effects on Customer Loyalty.

Table 11. Simultaneous Test Results (F-test)

Model	F-value	F-table	Sig.	Decision
Price Fairness & Service Quality → Customer Loyalty	447.382	3.09	0.000	H ₃ Supported

Source: Processed SPSS 26 Output (2026).

The F-test results confirm that Price Fairness and Service Quality jointly exert a significant positive effect on Customer Loyalty.

Coefficient of Determination

Table 12. Coefficient of Determination (R²)

R	R Square	Adjusted R Square	Std. Error
0.715	0.511	0.501	1.847

Source: Processed SPSS 26 Output (2026).

The coefficient of determination (R²) of 0.511 indicates that Price Fairness and Service Quality collectively explain 51.1% of the variance in Customer Loyalty, while the remaining 48.9% is attributed to other factors not included in the model, such as promotion, brand trust, location, and customer satisfaction.

DISCUSSION

The Effect of Price Fairness on Customer Loyalty

The results of the first hypothesis test (H₁) indicate that price fairness has a positive and statistically significant effect on customer loyalty among Alfamart customers in Gorontalo City ($t = 4.629$, $p < 0.001$). This finding suggests that customers who perceive Alfamart's pricing practices as fair are more likely to remain loyal to the retailer. In other words, favorable perceptions regarding pricing policies contribute substantially to strengthening long-term customer relationships.

This result is consistent with the concept of price fairness proposed by Xia, Monroe, and Cox (2004), which argues that consumers evaluate whether the prices they pay are reasonable and justified relative to the benefits received and relevant reference prices. When customers perceive that prices are equitable, transparent, and aligned with the value offered, they tend to develop higher levels of satisfaction and loyalty. In the context of Alfamart in Gorontalo, respondents positively evaluated several aspects of pricing practices, including price transparency, promotional pricing programs, and the competitiveness of prices relative to nearby retail outlets.

The findings also support previous empirical studies. Cakici, Akgunduz, and Yildirim

(2021) reported that perceived price fairness significantly influences customer loyalty, particularly through the mediating role of customer satisfaction. Similarly, Pratiwi, Handayani, and Kurniawan (2023) identified price fairness as one of the strongest predictors of customer loyalty in the modern retail sector in Indonesia.

Furthermore, the findings are consistent with Taan et al. (2023), who emphasized that organizations capable of creating superior customer value are more likely to achieve better performance outcomes. Fair pricing practices can be viewed as an important component of customer value creation, as they foster trust and reinforce customers' positive perceptions of a retailer. Therefore, maintaining transparent and reasonable pricing policies may serve as an effective strategy for enhancing customer loyalty in the increasingly competitive retail environment.

The Effect of Service Quality on Customer Loyalty

The results of the second hypothesis test (H_2) reveal that service quality exerts a positive and significant influence on customer loyalty ($t = 4.710$, $p < 0.001$). Notably, the t-value for service quality is slightly higher than that of price fairness, suggesting that service quality represents the more dominant determinant of customer loyalty among Alfamart customers in Gorontalo.

This finding supports the SERVQUAL framework developed by Parasuraman, Zeithaml, and Berry (1988), which emphasizes the importance of tangibles, reliability, responsiveness, assurance, and empathy in shaping customers' service experiences. When customers perceive employees as responsive, courteous, knowledgeable, and willing to provide assistance, while stores remain clean and well-organized, positive shopping experiences are created. Such experiences encourage customers to revisit the store and maintain long-term patronage.

The present findings are also supported by Kango et al. (2025), who highlighted the importance of customer trust in fostering customer loyalty and active consumer engagement. In the retail context, superior service quality strengthens customers' confidence in the retailer, thereby encouraging sustained loyalty behaviors.

Moreover, the results corroborate previous studies conducted by Rahayu and Susanto (2021), who found a significant relationship between service quality and customer loyalty among Alfamart customers in Bandung. Similarly, Hasan and Alam (2022) demonstrated that all SERVQUAL dimensions significantly contribute to customer loyalty within retail settings.

The findings indicate that improvements in service quality directly enhance customer loyalty. Fast service, employee friendliness, responsiveness to customer needs, and adequate facilities collectively create a pleasant shopping environment that motivates customers to make repeat purchases. This conclusion is also consistent with Taan (2019), who found that service quality significantly influences consumers' decisions to use services. Although the study was conducted in a different industry, the underlying principle remains relevant: positive service experiences encourage customers to continue engaging with a company.

Therefore, Alfamart management should continuously improve service performance across all SERVQUAL dimensions. Consistent service excellence can strengthen customer satisfaction, build trust, and ultimately reinforce customer loyalty despite the presence of numerous competing minimarkets.

The Simultaneous Effect of Price Fairness and Service Quality on Customer Loyalty

The results of the third hypothesis test (H_3) demonstrate that price fairness and service

quality simultaneously exert a positive and significant effect on customer loyalty ($F = 47.382$, $p < 0.001$). Furthermore, the coefficient of determination ($R^2 = 0.511$) indicates that 51.1% of the variation in customer loyalty can be explained by these two variables.

This finding suggests that customer loyalty in the modern retail sector is not driven by a single factor but rather by a combination of economic and experiential considerations. Price fairness contributes to customers' cognitive evaluations by assuring them that they receive appropriate value for the money spent. Meanwhile, service quality creates emotional connections through enjoyable, convenient, and satisfying shopping experiences. The integration of these two dimensions generates a stronger overall impact on customer loyalty.

The results are consistent with the findings of Ahmed et al. (2022) and Wahyudi, Nurhayati, and Setiono (2023), who reported that price fairness and service quality jointly influence customer loyalty. These studies emphasize that customers are more likely to remain loyal when they perceive both fair pricing and high-quality service simultaneously.

The findings also support Taan (2021), who demonstrated that pricing factors—including affordability, price competitiveness, price–quality congruence, and perceived value—significantly influence consumers' purchasing intentions. Additionally, Kango et al. (2025) argued that sustainable customer relationships are built upon trust-based interactions. Fair pricing and excellent service quality contribute to the development of such trust, which in turn strengthens customer commitment and loyalty.

From a managerial perspective, these findings imply that Alfamart should adopt an integrated strategy that combines equitable pricing policies with continuous service quality improvement. Focusing exclusively on either pricing or service may not be sufficient to sustain customer loyalty in a highly competitive retail market. Instead, delivering superior value through both dimensions is essential for maintaining long-term customer relationships and achieving sustainable competitive advantage.

CONCLUSION

This study investigated the effects of price fairness and service quality on customer loyalty among Alfamart customers in Gorontalo City. Based on the results of multiple linear regression analysis, several conclusions can be drawn.

First, price fairness was found to have a positive and significant effect on customer loyalty. Customers who perceive Alfamart's prices as fair, transparent, and competitive are more likely to maintain long-term relationships with the retailer. Fair pricing practices enhance customers' perceptions of value and encourage repeat purchasing behavior.

Second, service quality has a positive and significant influence on customer loyalty. Compared with price fairness, service quality demonstrated a slightly stronger effect, indicating that service-related factors play a more dominant role in shaping customer loyalty. High standards of reliability, responsiveness, assurance, empathy, and tangible aspects of service contribute to positive shopping experiences and strengthen customers' commitment to the retailer.

Third, price fairness and service quality simultaneously exert a positive and significant impact on customer loyalty. The coefficient of determination ($R^2 = 0.511$) indicates that both variables explain 51.1% of the variation in customer loyalty, while the remaining 48.9% is influenced by other factors not examined in this study. These findings suggest that customer loyalty is influenced by a combination of economic value perceptions and service experiences.

Based on these findings, several managerial recommendations can be proposed. Alfamart management should continue to maintain fair, transparent, and competitive pricing policies while ensuring that promotional programs provide meaningful value to customers. In addition,

continuous improvements in service quality should be prioritized through regular employee training, enhanced responsiveness, improved customer interaction, and consistent maintenance of store cleanliness and facilities. Since price fairness and service quality jointly contribute to customer loyalty, both aspects should be managed as an integrated value proposition rather than as separate strategic initiatives.

This study is limited to Alfamart customers in Gorontalo City and focuses only on price fairness and service quality as determinants of customer loyalty. Future studies are encouraged to incorporate additional variables, such as customer satisfaction, brand trust, store image, promotional activities, and customer experience, in order to provide a more comprehensive understanding of customer loyalty in the modern retail sector.

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