

CUSTOMER SATISFACTION MEDIATES THE EFFECT OF SERVICE QUALITY AND CUSTOMER VALUE ON CUSTOMER LOYALTY

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ABSTRACT. The purpose of this research is to investigate the ways in which features of a business's operations, such as the level of service quality and the value it gives to consumers, may have a direct influence on the degree to which customers are satisfied with the company and remain loyal to the organization. In this investigation, the technique for evaluating the data is called structural equation modeling partial squares (SEM-PLS), and the application that was used is called Warp PLS. Both of these terms relate to the same thing: the evaluation method for the data. One hundred persons, in all, took part in the inquiry that was being conducted. According to the findings, there was a significant and obvious correlation between the quality of service that was provided to customers and the value that they got in terms of customer satisfaction as well as customer loyalty. This was the case even though there was no direct causal relationship between the two variables. In addition, there is a connection between happy customers and a successful firm. The service that they got by looking at the value that was supplied to the customer.

Keyword: customer loyalty, customer satisfaction, customer value, quality of service.

KEPUASAN PELANGGAN MEMEDIASI PENGARUH KUALITAS LAYANAN DAN NILAI PELANGGAN PADA LOYALITAS PELANGGAN

ABSTRAK. Tujuan dari penelitian ini adalah untuk menyelidiki cara-cara di mana fitur-fitur operasi bisnis, seperti tingkat kualitas layanan dan nilai yang diberikannya kepada konsumen, dapat memiliki pengaruh langsung pada sejauh mana pelanggan puas dengan perusahaan dan tetap setia kepada organisasi. Secara khusus, penyelidikan kami berfokus pada hubungan yang ada antara kedua aspek ini. Dalam penelitian ini, teknik untuk mengevaluasi data disebut *structural equation modeling partial squares* (SEM-PLS), dan aplikasi yang digunakan disebut *Warp PLS*. Kedua istilah ini berhubungan dengan hal yang sama: metode evaluasi untuk data. Seratus orang, seluruhnya, ambil bagian dalam penyelidikan yang sedang dilakukan. Menurut temuan tersebut, terdapat korelasi yang signifikan dan nyata antara kualitas layanan yang diberikan kepada pelanggan dan nilai yang mereka dapatkan dalam hal kepuasan pelanggan serta loyalitas pelanggan. Hal ini terjadi meskipun tidak ada hubungan sebab akibat langsung antara kedua variabel tersebut. Selain itu, ada hubungan antara pelanggan yang bahagia dan perusahaan yang sukses. Dimungkinkan untuk menyimpulkan, secara tidak langsung tetapi secara substansial, tingkat kepuasan yang dimiliki klien dengan layanan yang mereka dapatkan dengan melihat nilai yang diberikan kepada pelanggan.

Kata Kunci: kualitas layanan, kepuasan pelanggan, loyalitas pelanggan, nilai pelanggan.

INTRODUCTION

As a result of the proliferation of globalization, trade cooperation between nations, and the existence of free trade, an ever-increasing number of foreign goods and services are entering the Indonesian market. This results in an ever-increasing level of competition in the business world, making it imperative for every company to be able to make the most of the resources at its disposal. When dealing with really cutthroat competition, loyalty is a very crucial idea to keep in mind. The presence of brand-loyal consumers is extremely crucial to a company's ability to thrive, and attempts to retain clients are often a far more successful approach than efforts to recruit new customers.

PT Autostar Mandiri Teknotama Medan is a business that specializes in the distribution of Daihatsu replacement components. Not only does PT Autostar Mandiri Teknotama Medan provide services to its clients, but the company's primary focus is on the items it sells to those consumers. Because of the intense competition, PT Autostar Mandiri Teknotama Medan is forced to conduct itself in a professional manner in order to realize its vision and accomplish its mission. The company's vision and mission are to fulfill the requirements and wishes of customers and to generate customer satisfaction. One of the ways this is accomplished is by creating customers who are loyal to the company's products and services (Karlina, 2011).

True loyalty, often known as loyalty to a certain brand, is shown by consistently making purchases of the brand in question. In the context of this research, client loyalty functions as an intervening variable that has the potential to influence customer happiness. Loyal customers are an indication that existing customers are pleased with the product since they continue to purchase it. The findings of the study showed that there were issues with client loyalty, which can be seen from the sales statistics of Daihatsu replacement parts, which can be seen in the following table.

Table 1. Daihatsu Spare Part Sales Data for 2017-2020

Year	Sales Amount	% Difference
2017	241	-
2018	239	-0,83%
2019	229	-4,18%
2020	214	-6,55%

Source: PT Autostar Mandiri Teknotama Medan, 2020

Customers are still not loyal to the purchase of spare parts for Daihatsu PT Autostar Mandiri Teknotama Medan, the number of sales has decreased, as shown in the table above. This is allegedly caused by PT Autostar Mandiri Teknotama Medan ignoring the suggestions and complaints that were submitted by customers, as well as the management of PT Autostar Mandiri Teknotama Medan indirectly interacting with customers.

Building up a devoted consumer base is not an easy task. For this reason, the management of PT Autostar Mandiri Teknotama Medan has to focus on providing high-quality services if they want to see a rise in the level of client loyalty. When purchasing Daihatsu replacement parts, it is important to pay attention to the needs of the consumer.

When measuring client loyalty, both the quality of the service provided and the value provided to the consumer are taken into consideration (Tjoen Hok, Vitayala S Hubeis, & Kuswanto, 2014). The researchers found a problem with customer value based on their observations, which is suspected to be the result of customers' perceptions that PT Autostar Mandiri Teknotama Medan does not provide new Daihatsu spare parts and customers' perceptions that PT Autostar Mandiri Teknotama Medan always offers Daihatsu spare parts prices that are higher than the price of Daihatsu spare parts from the other company.

Customer satisfaction may be defined as the degree of one's sentiments after comparing the perceived performance or outcomes with their expectations, as stated by (Harjati & Venesia,

2015). Therefore, the amount of satisfaction is a function of the disparity between the performance as perceived and the performance as expected. Should the performance fall below expectations, the patron will be dissatisfied. The consumer will be happy with the product or service if the performance is at or above their expectations. However, at PT Autostar Mandiri Teknotama Medan, it can be seen that there is a decrease in the number of regular customers of Daihatsu spare parts PT Autostar Mandiri Teknotama Medan. This can be seen as evidence that customers are not satisfied with the quality of Daihatsu spare parts offered by PT Autostar Mandiri Teknotama Medan and customers are also not satisfied with the prices offered by PT Autostar Mandiri Teknotama Medan.

Service quality is the capacity of a service product to meet stated and inferred demands, according to (Raza, 2013). Service quality is a service product's overall qualities. According to (Rofacky & Aini, 2015), the quality of service is determined primarily by two factors: the level of service that is anticipated and the level of service that is actually received. If the service that is received or perceived (perceived service) is the same as the service that is anticipated (expected service), then the quality of the service (service) is seen to be excellent and gratifying. When a customer's expectations are exceeded by the service that they get, the quality of service (service) that they experienced is said to be of an ideal quality. On the other hand, if the level of service (service) obtained is not up to par with what was anticipated, then the quality of service (service) is seen to be poor. Therefore, whether or not the quality of service (services) is provided relies on the level of consistency with which the service provider (services) meets the expectations of the consumer (Ali, Limakrisna, & Jamaluddin, 2016).

According to (Mickelsson & Lipkin, 2015), customer value is the perception of the advantages obtained by the customer less the expenditures paid for a product or service so that it may deliver higher value than its rivals. This perception is based on the customer's evaluation of the product or service. According to (Peck, Payne, Christopher, & Clark, 2013), the customer value dimension is comprised of the following four primary aspects:

- 1) The concept of a product having emotional value refers to the usefulness that may be derived from the good sentiments or emotions that are brought on by using the product.
- 2) The term "social value" refers to the

utility that is obtained from the capacity of the product to improve the social self-concept of the consumer.

- 3) Quality and Performance Value, which is connected to the utility that can be received from the product as a result of the reduction of costs both in the short term and in the long term.
- 4) Price/Value of Money, which is connected to the utility that is received from the perception of the product's quality and its predicted performance.

According to Seth, Deshmukh, & Vrat (2005), customer satisfaction is a post-purchase review in which the selected alternative meets at least the same level of customer expectations or goes above and above those expectations.

According to Zhang (2015), one interpretation of customer satisfaction is a comparison between expectations and expectations before the purchase and perceptions of performance after the purchase. According to Sias (2005), the significance of achieving high levels of customer satisfaction stems from the fact that it is a consequence of the disparity between actual and anticipated levels of performance. When the performance falls short of the client's expectations, the consumer will feel let down. Customers will be pleased with the product or service if it lives up to their expectations.

The reaction of the consumer to the assessment of the perceived difference between prior expectations and the actual performance of the product after it has been used is the basis for determining whether the client is satisfied or dissatisfied with the product. The consumer gets a sense of pleasure or discontent when using the product or service, both during and after their use of the product or service. To put it another way, satisfaction is a decision that is made after assessing the evaluation of a certain transaction. Customers are able to get a sense of how the product or service they purchased relates to an ideal standard, which allows for direct measurement of their level of satisfaction with the transaction.

According to Engel, et al. (in Maliyah, 2015), customer loyalty is a behavioral habit that consists of repeat purchases, high relevance, and involvement in their choices. Additionally, customer loyalty is distinguished by the pursuit of external information and the evaluation of alternative options.

The loyalty of a customer is directed toward a certain target. The topic at hand is a brand, which serves as a representation of the quality,

packaging, and other aspects associated with a product. According to Normasari, Kumadji, & Kusumawati (2013), it may be broken down into four distinct phases of loyalty growth, which are as follows:

- 1) The Beginning, or Cognitive Loyalty Stage
- 2) The second stage is known as the affective loyalty stage.
- 3) The Conative Loyalty Stage is the Third Stage.
- 4) The fourth stage is known as the loyalty action stage.

Framework

The following conceptual framework is proposed in this study based on the theoretical investigation that was presented:

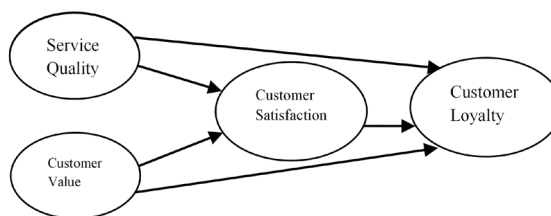


Figure 1. Framework

Research Hypothesis

Hypothesis 1: The level of service provided has a direct bearing on the level of satisfaction a company's customers feel.

Hypothesis 2: The relationship between customer value and customer happiness is direct.

Hypothesis 3: The quality of the service that is offered has a direct correlation to the amount of customer retention.

Hypothesis 4: The relationship between providing value to customers and maintaining their loyalty is obvious.

Hypothesis 5: The degree to which a customer's needs are met can directly influence their willingness to remain loyal.

Hypothesis 6: The level of service quality has an indirect impact on customer loyalty via the level of satisfaction experienced by customers.

Hypothesis 7: Value to the customer has an indirect impact on customer loyalty by improving the quality of the customer experience.

METHOD

The author did research and analysis using surveys. Sunyoto (2011: 24) defines the survey approach as directly observing the study's goal. This definition calls surveying a technique. JANUARI shoppers. The survey included 100 Autostar Mandiri Teknotama sites. Purposive

sampling was used to choose JANUARI customers. Autostar Mandiri Teknotama conducted multiple corporate transactions between Januari 2017 and December 2020. In this study, SEM PLS was used to analyze the data, and the software was Warp-PLS. According to Firmansyah, Masrun, & Yudha S. (2021), throughout the process of SEM's development, the methodology was split into two distinct categories: covariance-based structural equation modeling (CB-SEM) and variance-based structural equation modeling (also known as partial least squares) (SEM-PLS). CB-SEM was first created in the 1970s by Karl Joreskog, who was working at the time as a software engineer for Lisrel. In the meanwhile, SEM-PLS was created following CB-SEM, and Herman Wold was the pioneer of this technique (academic supervisor of Karl Joreskog). According to Firmansyah et al., (2021), SEM-PLS is able to function well even when dealing with complicated models and tiny sample numbers. In addition, the assumption of how the data are distributed is treated differently in SEM-PLS compared to how tis handled in CB-SEM. Estimation using CB-SEM calls for a number of assumptions to be satisfied before proceeding, including normality of multivariate data, a minimum sample size, homoscedasticity, and a number of others. According to Firmansyah et al. (2021), the estimate findings of the two are not significantly different from one another, which means that SEM-PLS may be a suitable proxy for CB-SEM. Even if there is a departure from the assumption of multivariate normality or the sample size is rather small, SEM-PLS is still able to give estimates.

RESULTS AND DISCUSSION

Results

Outer Model Evaluation (Measurement Model)

SEM-PLS calls the measurement model the outer model; covariance-based SEM calls it confirmatory factor analysis (CFA). The measurement model contains convergent validity (Firmansyah et al., 2021). The outer model (measuring model) must meet two conditions for convergent validity for reflective constructs. The loading must be over 0.7, and the p-value must be significant. Both criteria must be satisfied to determine that (less than 0.05). According to Hair et al., loading requirements greater than 0.7 are typically not reached, particularly for recent surveys. As a result, 0.40 to 0.70 loading must be maintained (Firmansyah et al., 2021). Hair et al. (2013) suggest the following on the use of reflected indicators:

If a model's indicator loadings are 0.40 or lower, eliminate it. On the other side, we must explore how removing these indicators affects the average variance extracted (AVE) and composite dependability for indicators with 0.40 to 0.70 loadings. Loadings vary from 0.40 to 0.70. If the indicator improves AVE and composite reliability over its limit (threshold), we may remove it if its loading is between 0.40 and 0.70. Barbu, Florea, Dabija, & Barbu (2021) analysed from various perspectives, and with distinct valences in different industries. Based on the stimulus-organism-response (S-O-R), maximum AVE is 0.50, and composite reliability is 0.7. When eliminating signs from the construct, you must also evaluate the model's content validity. Indicators with low loadings are generally kept because they assist sustain the construct's validity Barbu et al. (2021) analysed from various perspectives, and with distinct valences in different industries. Based on the stimulus-organism-response (S-O-R). Table 2 shows indicator loading levels.

Table 2. Validity Test based on Loading Factor

WarpPLS 3.0 - Combined loadings and cross-loadings

Close Help

	X1	X2	Y1	Y2
X11	(0.823)	0.117	0.174	-0.267
X12	(0.726)	-0.438	0.117	0.360
X13	(0.781)	-0.294	0.022	0.289
X14	(0.777)	0.351	-0.281	-0.302
X15	(0.736)	0.242	-0.037	-0.044
X21	-0.059	(0.790)	-0.116	-0.104
X22	0.141	(0.814)	0.104	-0.081
X23	0.090	(0.801)	0.170	-0.032
X24	-0.180	(0.776)	-0.166	0.223
Y11	0.017	0.225	(0.825)	-0.235
Y12	0.065	-0.370	(0.854)	0.145
Y13	-0.312	-0.073	(0.794)	0.190
Y14	0.224	0.237	(0.793)	-0.102
Y21	-0.243	0.216	0.607	(0.698)
Y22	-0.192	0.011	0.311	(0.775)
Y23	0.146	-0.242	-0.036	(0.815)
Y24	0.262	-0.146	-0.456	(0.762)
Y25	-0.000	0.194	-0.377	(0.767)

Source: WarpPLS Result (Processed by researchers), 2022

The overall loading value was found to be more than 0.4 when it was tested for validity using the loading factor shown in Figure 2. This indicates that it successfully fulfilled the standards for validity that were based on the loading value. In addition, validity testing is performed based on the average variance extracted (AVE) value, and reliability testing is performed based on the composite reliability. Both of these tests are carried out (CR).

Table 3. Average Variance Extracted (AVE) and Composite Reliability (CR) values based on each latent variable

WarpPLS 3.0 - Latent variable coefficients

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	X1	X2	Y1	Y2
R-squared			0.631	0.697
Composite reliab.	0.878	0.873	0.889	0.875
Cronbach's alpha	0.827	0.806	0.834	0.821
Avg. var. extrac.	0.592	0.632	0.667	0.584
Full collin. VIF	2.969	2.558	2.919	3.301
Q-squared			0.631	0.703

Source: WarpPLS Result (Processed by researchers), 2022

According to the AVE-based validity test, X1's AVE is 0.592, X2's is 0.632, and Y1's is 0.667 and 0.584. AVE is over 0.5 (Mahfud & Ratmono, 2013:67). The total AVE value is above 0.5, which means it meets AVE validity norms. According to CR-based reliability testing, X1's CR is 0.878, X2's is 0.873, Y1's is 0.889, and Y2's is 0.875. As suggested, CR should be above 0.7 (Mahfud and Ratmono, 2013:67). All CR ratings are over 0.7, indicating they meet CR norms for reliability.

Hypothesis Testing

The results of the direct effect significance test

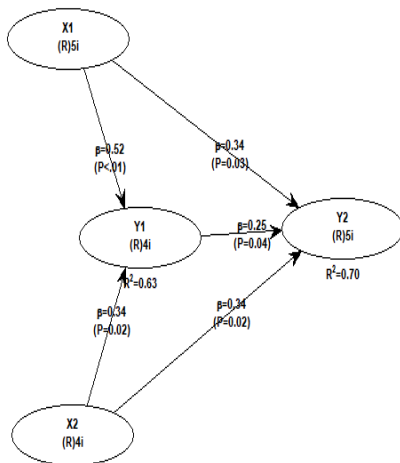


Figure 2. Direct Effect Test Results

Table 4. Direct Effect Test Results

Path coefficients				
	X1	X2	Y1	Y2
X1				
X2				
Y1	0.520	0.342		
Y2	0.337	0.339	0.253	

P values				
	X1	X2	Y1	Y2
X1				
X2				
Y1	<0.001	0.018		
Y2	0.034	0.018	0.042	

Source: WarpPLS Result (Processed by researchers), 2022

Based on the direct influence test results in Table 3, Figure 2, and Table 4, it has been determined that:

- 1) If the path coefficient value of Service Quality on Customer Satisfaction is 0.520, which is positive, and the P-Values are 0.001, then 0.05, then Service Quality has a significant effect on Customer Satisfaction.
- 2) If the Service Quality path coefficient on Customer Satisfaction is -0.520 and the P-Value is 2, then Service Quality has a substantial influence on Customer Satisfaction. The connection is not significant since the path coefficient is positive and the P-Value is above 0.001. Positive path coefficient.
- 3) The path coefficient for Customer Number on Customer Satisfaction is 0.342, which is positive, and the P-Values are 0.018 0.05, suggesting Customer Value has a strong influence on Customer Satisfaction. Positive path coefficients and P-Values explain this.
- 4) The path coefficient for Service Quality on Customer Loyalty is 0.337, which is positive, and the P-Values are less than 0.05, indicating that Service Quality influences Customer Loyalty.
- 5) Since the path coefficient for Customer Number on Customer Loyalty is 0.339 (a positive value) and the P-Values are 0.018 (less than 0.05), Customer Value has a strong influence on Customer Loyalty.
6. Customer Satisfaction has a large influence on Customer Loyalty if the path coefficient is 0.253 and the P-values are 0.042 or less with a significance level of 0.05 or below. This means Customer Satisfaction affects Customer Loyalty significantly if the significance level is 0.05 or below. If p0.05, Customer Satisfaction influences Customer Loyalty.

Figure 2 data reveals the following: 1) Customer Satisfaction's R-Square value is 0.63, showing that Service Quality and Customer Value influence it 63% of the time; 2) Customer Value's R-Square is 0.63, showing it may affect Customer Satisfaction by 6%; 3) Customer Loyalty's R-Square value is 0.70, showing that Service Quality, Customer Value, and Customer Satisfaction all influence it by 70%. R-Square measures linear connection strength. Model Fit Testing (Goodness of Fit) The results of WarpPLS for the goodness of fit test.

It is known, on the basis, that the probability values (p-values) of APC and ARS are significant, namely P 0.001 which implies 0.05 and P 0.001 0.05, and that the value of AVIF = 2.240 is lower than 5. This indicates that the model that was supplied is appropriate (Mahfud and Ratmono, 2013:155).

Indirect Effect Testing: Significance Test of Customer Satisfaction

In addition, the importance of the indirect impact of Customer Satisfaction in mediating the effect of Service Quality -- Customer Value on Customer Loyalty -- will be evaluated, specifically:

- 1) The link between Service Quality and Customer Loyalty is considerably mediated by the degree to which the customer's level of Satisfaction.
- 2) The link between Customer Value and Customer Loyalty is considerably mediated by the degree to which the customer's.

Table 5. Testing the Indirect Effect (Mediation)

* Indirect and total effects *				
Indirect effects for paths with 2 segments				
	X1	X2	Y1	Y2
X1				
X2				
Y1				
Y2	0.387	0.255		
Number of paths with 2 segments				
	X1	X2	Y1	Y2
X1				
X2				
Y1				
Y2	1	1		
P values of indirect effects for paths with 2 segments				
	X1	X2	Y1	Y2
X1				
X2				
Y1				
Y2	0.001	0.023		
Standard errors of indirect effects for paths with 2 segments				

Source: WarpPLS Result (Processed by researchers), 2022

The following findings are obtained when the results of the test for the indirect impact shown in Table 5 are taken into account.

- 1) Since the indirect effect of Service Quality on Customer Loyalty through Customer Satisfaction is known to be 0.387 at a significance level of P-Values 0.001 0.05, it can be concluded that Customer Satisfaction plays a significant role in mediating the effect of Service Quality on Customer Loyalty.
- 2) Because it is known that the indirect effect of Customer Value on Customer

Loyalty through Customer Satisfaction is 0.255, with P-Values of 0.023 0.05 significance level, then it can be concluded that Customer Satisfaction plays a significant role in mediating the effect of Customer Value on Customer Loyalty.

Discussion

Hypothesis testing 1

Since it is established that the value of the path coefficient for Service Quality on Customer Satisfaction is 0.520, which is positive, and the P-Values are 0.001, which indicates 0.05, it can be concluded that Service Quality has a substantial impact on Customer Satisfaction. Customer Satisfaction may be attained by being in a position to provide comprehensive Daihatsu replacement parts, providing excellent service, and cultivating trust among customers. These findings are consistent with the findings of study conducted by Pemayun (2014), Setiarini (2017), Ansar (2015), and Novianti et al. (2018), all of which show that the quality of service has a substantial influence on the level of pleasure a client has with a company.

Customer Satisfaction can be defined as the perceived performance after a purchase in comparison to the expectation from the purchase, as suggested by Zhang (2015). In contrast, Sias (2005) emphasizes that the importance of customer satisfaction lies in meeting the actual level of performance and exceeding the anticipated level. Nevertheless, if the product or service does not conform to the consumer's desires, it may result in a lack of satisfaction. Therefore, clients can only feel fulfilled if their experience meets their expectations.

When assessing the level of satisfaction a consumer has with a product or service, the reaction to the perceived difference between prior expectations and actual performance is key. Throughout and after use, the consumer experiences either pleasure or discontent. This ultimately leads to their decision regarding satisfaction. During the purchase, customers are able to evaluate the product or service's relationship to an ideal standard. This direct measurement provides insight into their level of satisfaction with the transaction. Essentially, satisfaction is derived through the assessment of a certain transaction (Priatna, Limakrisna, & Roswinna, 2017).

Behavioral habits, such as repeat purchases and active involvement in choices, are key components of customer loyalty as defined by Engel, et al. (in Maliyah, 2015). To further differentiate loyal customers, they also seek out external information and evaluate alternative options before making a decision.

Hypothesis testing 2

Since it is shown that the path coefficient value of Customer Value on Customer Satisfaction is 0.342, which is positive, and the P-value for this relationship is 0.018 0.05, it can be concluded that Customer Value has a considerable influence on customer contentment. Customers will report a sense of contentment if employees maintain a courteous demeanor and reasonable rates are offered on Daihatsu replacement parts. These findings are consistent with the findings of study conducted by Hami (2016), Setiarini (2017), and Jayakody (2016), which suggest that the value.

Hypothesis testing 3

Since the path coefficient of Service Quality on Customer Loyalty is known to be 0.337, which is positive, and the P-Values are as follows: 0.034 0.05, this indicates that Service Quality has a substantial influence on Customer Loyalty. Customer loyalty can be increased by offering complete Daihatsu spare parts, providing good service, growing customer trust, and making customers interested in buying because they are accustomed to using Daihatsu spare parts. These are all things that contribute to increased Customer Satisfaction (Limakrisna, Komar Priatna, & Roswina, 2016). These findings are consistent with the findings of study conducted by Lyana (2016), Nguyen (2016), and Dubey (2016), all of which show that the quality of service could increase customer's loyalty to a brand.

Hypothesis testing 4

Since it is shown that the path coefficient of Customer Value on Customer Loyalty is 0.339, which is positive, and the P-Values are less than 0.05, it can be concluded that Customer Value has a substantial influence on Customer Loyalty (Suryati & Krisna, 2015). Customer loyalty may be strengthened by nice staff attitudes, fair rates for Daihatsu replacement parts, and consumers suggesting Daihatsu spare parts to people closest to them. These findings are consistent with research conducted by Lyana (2016), Javed (2017), and Maduka (2016), as well as research conducted by Pandhega et al. (2016), which states that the value provided to customers has a direct and significant influence on the degree to which they remain loyal to a brand.

Hypothesis testing 5

Since the path coefficient value of Customer Satisfaction on Customer Loyalty is known to be 0.253, which is positive, and the P-Values are found to be 0.042 0.05, it can be concluded that Customer Satisfaction has a significant effect on

Customer Loyalty. By making customers happy and satisfied with Daihatsu spare parts, satisfied with the price offered, making customers interested in buying because they are accustomed to using Daihatsu spare parts, making customers recommend Daihatsu spare parts, customer loyalty can be increased. These findings are consistent with the findings of research conducted by Hami (2016), Javed (2017), Chaniago (2012, and Khalafinezhad (2013), all of which state that the level of customer satisfaction has a significant impact on the degree to which customers remain loyal to a given brand (Nandan Lima Krisna, 2019).

Hypothesis testing 6

If it is established that there is an indirect effect of Service Quality on Customer Loyalty through Customer Satisfaction of 0.387, with P-Values of 0.001 0.05 significance level, then it can be concluded that Customer Satisfaction plays a significant role in mediating the effect of Service Quality on Customer Loyalty. Consumers will be pleased and content with Daihatsu spare parts if they are provided with comprehensive Daihatsu spare parts, excellent service, and the cultivation of trust from customers (Limakrisna, 2018). This will promote customer loyalty in the sense that customers will be interested in repurchasing Daihatsu spare parts. These findings are consistent with the findings of study conducted by Nuridin (2018), Praditya et al. (2018), Karyose et al. (2018), and Dewi (2016), which suggest that customer satisfaction mediates the influence of service quality on customer loyalty.

Hypothesis testing 7

If it is established that there is an indirect effect of Customer Value on Customer Loyalty through Customer Satisfaction of 0.255, with P-Values of 0.023 0.05 significance level, then it can be concluded that Customer Satisfaction plays a significant role in mediating the effect of Customer Value on Customer Loyalty. Consumers are made pleased and satisfied when they pay reasonable rates for spare parts. This leads to an increase in customer loyalty, since satisfied customers are more likely to suggest Daihatsu spare parts to individuals in their immediate circle of friends and family. These findings are consistent with the findings of study conducted by Logiawan and Subagio (2014) and Steviani and Samuel (2015), which suggest that customer happiness mediates the influence of customer value on customer loyalty (Limakrisna & Ali, 2016).

CONCLUSION

In light of the findings of the investigation, the investigators are able to draw a number of conclusions, including the following: The level of client satisfaction may be directly and significantly impacted by the quality of the service provided; The contentment of a customer may be directly and significantly impacted by the value of the customer; The level of client loyalty is directly proportional to the quality of the service provided; The relationship between customer value and customer loyalty is one that is direct and substantial; The level of happiness that a company provides for its customers has a direct and substantial effect on the amount of loyalty that it receives from those customers; The level of pleasure a consumer feels with a company's products or services has a direct bearing on how loyal that customer to the company; A major and indirect influence on customer loyalty may be seen in the relationship between customer value and customer satisfaction.

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