

INTERNATIONAL JOURNAL OF ENTREPRENEURSHIP AND MANAGEMENT PRACTICES (IJEMP)





THE EFFECT OF SERVICE QUALITY ON CUSTOMER LOYALTY THROUGH CUSTOMER SATISFACTION

Isniati^{1*}, Muhammad Aqsa², Rismawati³, Imam Pribadi⁴, Duriani⁵

- Student Postgraduate Master of Management, University of Muhammadiyah Palopo, Indonesia Email: isniatirival12@gmail.com
- University of Muhammadiyah Palopo, Indonesia
 Email: muhammadaqsa@umpalopo.ac.id
- University of Muhammadiyah Palopo, Indonesia Email: risma11@umpalopo.ac.id
 - Email: rismail@umpalopo.ac.id
- ⁴ University of Muhammadiyah Palopo, Indonesia Email: imampribadi@umpalopo.ac.id
- University of Muhammadiyah Palopo, Indonesia
- Email: duriani@umpalopo.ac.id
- * Corresponding Author

Article Info:

Article history:

Received date: 29.08.2024 Revised date: 12.09.2024 Accepted date: 15.10.2024 Published date: 28.11.2024

To cite this document:

Isniati, I., Aqsa, M., Rismawati, R., Pribadi, I., & Duriani. D. (2024). The Effect Of Service Quality On Customer Loyalty Through Customer Satisfaction. *International Journal of Entrepreneurship and Management Practices*, 7 (27), 134-148.

DOI: 10.35631/IJEMP.727011.

This work is licensed under CC BY 4.0



Abstract:

This study aims to analyze the influence of service quality on customer loyalty through customer satisfaction at the Memed Welding and Dico Workshop in Palopo City. This research is expected to help the Memet Workshop in solving the problems faced in accordance with the topics taken by the researcher by analyzing data on the influence of service quality on customer loyalty through customer satisfaction. This study uses a quantitative method with a survey approach, where data is collected through questionnaires distributed to customers of Memed Welding and Dico Workshops. The population is a customer of the Memed Workshop with an incidental sampling technique. The number of samples was determined using the MoE formula so that the number of samples was 96 samples. The results of the analysis show that service quality has a positive and significant effect on customer loyalty through customer satisfaction. These findings indicate that improving service quality not only increases customer satisfaction, but also contributes significantly to building customer loyalty. Based on the results of this study, the Memed Welding and Dico Workshop is advised to continue to improve the quality of service in order to maintain customer satisfaction and loyalty that has been formed.

Keywords:

Customer Satisfaction; Quality of Service; Customer Loyalty

Introduction

Service quality has long been considered the main factor that determines the success of a service company. In the context of increasingly fierce competition, service quality not only affects customer satisfaction but also plays an important role in building customer loyalty (Khanh Giao & Vuong 2020). If the quality of service is in accordance with expectations, customers will be satisfied, and if the service exceeds expectations, customers will be very satisfied. So that if consumers feel that all the reality is in accordance with expectations, consumers will feel satisfied (Saripudin, Oktriawan, and Kurniasih 2021). Customers who are satisfied with the service they receive tend to be loyal customers, who in turn will continue to use the service and recommend it to others. However, realities on the ground often show that not all satisfied customers end up becoming loyal customers. This phenomenon raises questions about how strongly the influence of service quality has on customer loyalty, especially when customer satisfaction is the intermediary.

Service quality provides an effort that the company does by providing the best service possible to meet the needs of its consumers so that it will cause satisfaction to consumers who receive it (Susnita 2020). The quality of service encourages customers to establish mutually beneficial relationships not for the short term, but for the long term. This bond allows the company to know and clearly understand the expectations and needs of the specific needs of customers. Thus, the company can increase customer satisfaction which later contributes to the creation of customer loyalty (Ade Galang Saputra and Suwarti 2022). Customer loyalty is the key to the success of a company, not only in the short term, but in the long term it is an advantage because it is able to compete with other workshops. Loyal customers are not easily swayed or easily moved to other companies.

At the Memet Welding and Dico Workshop, located in Palopo City, competition with other workshops is a challenge in maintaining and increasing market share. Despite efforts to provide the best service, there are still complaints from customers regarding waiting times, work results, and communication with customers. These complaints indicate a gap between customer expectations and the quality of services provided. In fact, according to Servqual's theory, good service quality should be able to reduce this gap and increase customer satisfaction and loyalty (Pradeep, Vadakepat, and Rajasenan 2020). However, is it true that the quality of service provided by the Memet Welding and Dico Workshop has been able to significantly increase customer satisfaction and loyalty.

The results of empirical research show that although the quality of service is rated high, this does not always translate into high customer loyalty. Some previous studies, such as those conducted by Suwannakul et al. (2024), showing that customer satisfaction acts as a powerful mediator between service quality and customer loyalty. However, other studies such as those conducted by Pramesty et al. (2022) shows that customer loyalty is not always formed even if the customer is satisfied. This indicates the presence of other factors that may be influential, such as price, brand image, or emotional factors.

This study aims to identify and analyze the influence of service quality on customer loyalty through customer satisfaction as an intervening variable in Memet Welding and Dico Workshops. This research is important to fill the gap between existing theory and practice, as well as provide strategic recommendations for workshops in improving service quality, customer satisfaction, and loyalty. The results of this study are expected to provide deeper insights into how the relationship between service quality, satisfaction, and customer loyalty

can be managed effectively in the service industry, especially in the workshop sector in Palopo City.

Literature Review

Quality of Service

Service quality is the level of service related to the fulfillment of consumer expectations and needs. This means that the service can be called quality if it meets most of the expectations of consumers (Zikri & Rahhap 2022). It is a must for the company to do the best quality of service in order to be able to survive and remain the trust of customers.

According to Kaveski Peres and Pacheco Paladini, (2021) states that service quality is the expected level of excellence and control over that level of excellence to meet customer desires. According to Aqsa et al. (2021)) Service quality is the overall characteristics and characteristics of a good or service that affect its ability to satisfy stated and implied needs.

Based on the various definitions from the experts above, service quality can be concluded as the customer's perception of how well the service provided by the company meets or exceeds their expectations. Service quality includes aspects of the end result of the service as well as the way the service is delivered. Dimensions such as reliability, responsiveness, assurance, empathy, and physical evidence are important elements that make up the quality of service. Good service quality is very important in creating customer satisfaction which can ultimately increase customer loyalty to the company

The service quality indicators used in this study use indicators from Kotler and Armstrong, (2023) that is: **Reliability, Responsiveness, Assurance, Empathy and Physical Evidence** which is considered to be able to explain the research variables in this study.

Customer Satisfaction

Satisfaction is a feeling of pleasure that is obtained after the fulfillment of consumer needs and expectations for a product or service (Masitoh et al. 2019). Customer satisfaction is the goal that an individual or organization wants to achieve in using a product or service. Satisfaction arises because one's desire or expectation for a product or service is fulfilled (Rossitya Dwi Setyawardani 2021).

Kotler and Armstrong, (2023) Defines customer satisfaction as the level of feeling a person feels after comparing the performance of a product or service to their expectations. Customer satisfaction occurs when performance exceeds their expectations, and dissatisfaction occurs when performance does not meet expectations.

Pramesty et al. (2022), customer satisfaction is an evaluative reaction to a consumer experience that is measured based on a comparison between what is expected and what is actually received. Satisfaction is measured as an evaluation of whether a product or service meets or exceeds customer expectations.

Customer satisfaction can be concluded as an evaluation of customer feelings that arise after they compare the performance of a product or service with their expectations. If the results received exceed or match customer expectations, then they will feel satisfied. On the other hand, if the results are less than expected, then the customer will feel dissatisfied. Customer

satisfaction is a key factor in building long-term relationships with customers, as satisfied customers tend to become loyal customers and recommend products or services to others. The indicators to measure customer satisfaction in this study use the measures put forward by Indrasari (2019), namely: **Expectation conformity**, namely satisfaction is not measured directly but is inferred based on the conformity or discrepancy between customer expectations and the actual performance of the company; **Interest in** returning, i.e. customer satisfaction is measured by asking whether customers want to buy or reuse the company's services; **Willingness to recommend**, which is customer satisfaction is measured by asking whether customers will recommend the product or service to others such as family, friends, and others.

Customer Loyalty

Customer loyalty is the tendency of customers to buy a product or use services provided by a company with a high level of consistency (Masili et al. 2022). Customer loyalty is not built in a short time, but through a learning process and based on the results of customer experience from consistent purchases over time. If it meets expectations, this purchase process continues to be repeated. This can be said to be a form of customer loyalty (Hanapi and Arianto 2021).

Customer loyalty has an important meaning for a company or marketer. Retaining customers can be interpreted as improving financial performance while maintaining the survival of a company (Masitoh, Wibowo, & Ikhsan 2019). Customer loyalty is an important aspect of the long-term success of a business. This loyalty is reflected in the tendency of customers to continue buying products or services from the same brand, even though there are many alternatives available.

Based on the explanation above, it can be concluded that customer loyalty refers to the tendency of customers to continue to use products or services from a certain company repeatedly. This loyalty is driven by consistent customer satisfaction as well as the positive experiences gained from their interactions with the company

According to Khaddapi et al. (2022) Customer loyalty is a commitment from the customer to repurchase a product consistently despite the situation and marketing from other brands. There are several indicators that can be used to measure customer loyalty, namely: **Repurchases**, **likes** that is greater against a brand, **Ordinances** on the brand, **belief** on certain brands, and **Recommend** brand to others.

The Relationship Between Service Quality And Customer Satisfaction

Based on the calculations, it can be known that the correlation coefficient between service quality (X2) and customer satisfaction (Y) is 0.622. Because the correlation results are based on the level of 0.60-0.799, it means that the relationship between service quality (X2) and customer satisfaction (Y) is positive or strong (Barlian 2023). The relationship between service quality and satisfaction was a significant positive relationship (b=0.76, p<0.01) So it can be said that the higher the quality of service provided to customers, the higher the level of customer satisfaction will be.(Bara and Prawitowati 2020). The Service Quality variable has a standardized coefficients value of 0.469 and a significant level of 0.002 at an alpha coefficient of 5%. The results show that the significant level is less than 5% or 0.002 < 0.05. So it means that there is a significant influence between Service Quality (X1) and satisfaction (Z). What can be drawn is that each increase in the variable of Service Quality of 1% will increase the satisfaction level by 46.9% Service quality has a significant influence on satisfaction (Arianto and Kurniawan 2021).

The Relationship Between Customer Satisfaction And Customer Loyalty

The satisfaction variable had a standardized coefficients value of 0.360 and a significants level of 0.000 at an alpha coefficient of 5%. The results show that the significant rate is less than 5% or 0.000 < 0.05. Which means that there is a significant influence between satisfaction (Z) and Loyalty (Y). What can be concluded is that every increase of 1% of the satisfaction variable will increase 36.0% of Loyalty, Satisfaction has a significant influence on Loyalty (Arianto and Kurniawan 2021). Results Arianto and Kurniawan (2021)There is a positive and significant influence of satisfaction on customer loyalty, because the tcount value (1.941) is greater than the ttable value (1.66088) and is in the area of Ho's rejection so that in accordance with the hypothesis testing criteria is to reject Ho and accept Ha.

Customer satisfaction shows a positive influence, the magnitude of the influence value seen from the original sample value is 0.233 which means that customer satisfaction has a positive effect on customer loyalty. Then, the customer satisfaction variable obtained a p-value of 0.000, where the value was 0.000 <0.05 shows a significant influence of customer satisfaction on customer loyalty (Sari and Dwiridotjahjono 2023).

The Relationship Between Service Quality And Loyalty Through Customer Satisfaction

There is a relationship between service quality and customer satisfaction and loyalty that customer satisfaction and loyalty depend on the level of service quality provided to customers and they believe that there is no positive relationship between customer service quality and customer loyalty. There is a need to improve or improve the quality of service, which will later make customers satisfied with the services that have been used (Aprileny, Rochim, and Emarawati 2022). Service quality has a positive impact on customer loyalty through increased customer satisfaction. The influence value is seen from the original value of the sample which is 0.330. The service quality variable obtained a p-value of 0.000, where the value was 0.000 <0.05 shows that the quality of service significantly affects customer satisfaction, which affects customer loyalty. The value of the influence of service quality is 0.330, which means that service quality has a positive effect on customer loyalty through customer satisfaction (Sari and Dwiridotjahjono 2023).

The significant role of mediation on the Customer Satisfaction variable in the relationship between Service Quality and Customer Loyalty with values (Tstatistic 1,408 < Table 1.96) and (P value 0.16 > 0.05), so that the indirect influence between the Service Quality variable on Customer Loyalty through the Customer Satisfaction variable is proven to be insignificant and declared not fully mediated, which means that Customer Satisfaction does not mediate Service Quality to Loyalty Customer (Sholikhah and Hadita 2023).

Hypothesis Development

Previous research has shown that service quality has a strong and significant relationship with customer satisfaction. Research Pradeep et al. (2020) conclude that the higher the quality of service perceived by customers, the more likely customers are to be satisfied. Customers who feel that the services they receive meet or exceed their expectations will show a higher level of satisfaction. Zamir and Kim, (2022) found that service quality has a significant direct influence on customer satisfaction. Based on the relationship from previous research, the first hypothesis is stated as follows:

H1: Service Quality has a positive and significant effect on Customer Satisfaction

Previous research has shown that there is a close relationship between customer satisfaction and customer loyalty. High satisfaction increases the likelihood of customers becoming loyal, but loyalty is also influenced by factors such as emotional attachment, trust, and past experiences (Soebandhi, Wahid, and Darmawanti 2020). Risal et al. (2020) shows that customer satisfaction has a significant effect on customer loyalty. Satisfied customers tend to show loyal behavior, such as making repeat purchases and recommending products or services to others. They also found that customer satisfaction can reduce price sensitivity, increase purchase frequency, and strengthen customer intent to stick with the company's services. Based on the relationship from previous research, the first hypothesis is stated as follows:

H2: Customer Satisfaction has a positive and significant effect on Loyalty

Previous research has shown that service quality, customer satisfaction, and customer loyalty are closely interrelated. In particular, many studies show that customer satisfaction plays an important mediator role in the relationship between service quality and customer loyalty (Malelak, Setiawan, and Maulidah 2021). Ayodeji et al. (2023) found that customer satisfaction mediates the relationship between service quality and customer loyalty. In their study, perceived service quality positively affected customer satisfaction, and that satisfaction then led to increased customer loyalty. They emphasized that companies should focus on improving service quality to ensure continuous customer satisfaction and loyalty. Based on the relationship from previous research, the first hypothesis is stated as follows:

H3: Service Quality has a positive and significant effect on Loyalty through Customer Satisfaction

Based on the literature review and the relationship of research variables based on the results of previous research, the conceptual framework of the research can be described as follows:

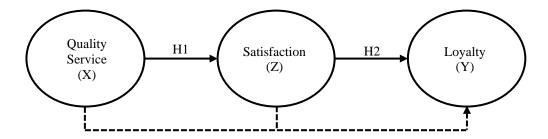


Figure 1. Conseptual Framework Research

Methodology

Research Design

The method used in this study is a quantitative descriptive method. In the quantitative descriptive method used, this study emphasizes the explanation and description of each variable being researched using data in the form of numbers and then followed by explaining the correlation or relationship between the two variables using a hypothesis test.

Research Location and Population

This research takes place in Palopo City with the object of research being consumers of Memet Welding Workshop and Dico. The population is customers of Memet Welding and Dico Workshops with sampling techniques using indential sampling. The determination of the

number of samples using the MoE formula is because the number of samples is unknown, so the number of samples is 96 samples which is likely to increase according to the needs of the research.

Data Collection Methods

Data was collected using questionnaire distribution. The author asked a list of closed questions to several competent respondents and then distributed them to the respondents directly. This questionnaire was made for customer satisfaction of the Memet workshop, Jl. Bakau Kel. Balandai, Kec. Bara, Palopo city in a series of questions used to collect information.

Data Analysis Techniques

The data that has been collected will be analyzed descriptively and inferentially where previously the validity and reliability analysis of the data collection instruments has been carried out. Data analysis will use the SmartPLS statistical tool.

Data Analysis

Loading Factor

This test was carried out to measure the feasibility level of each indicator to describe the variables used in the instrument by looking at the data from the loading factor analysis. A value of 0.7 is an expected value while what is often used as a minimum limit of ≥ 0.6 while a loading factor value < 0.6 must be removed from the model because it has a low level of validity or is considered unable to explain the variable construct, here is the loading factor tabulation:

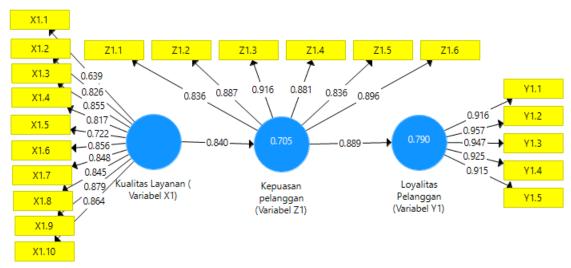


Figure 1. Loading Factor

After the loading factor was calculated, it was seen that the values in all indicators were expected > 0.7 so that it can be said that all indicators are able to describe the variables and are eligible for further analysis.

Table 1. Loading Factor

Variable	Indicators	Loading Factor	Information
Quality of service	X1.1	0,639	Valid
	X1.2	0,826	Valid
	X1.3	0,855	Valid
	X1.4	0,817	Valid
	X1.5	0,722	Valid
	X1.6	0,856	Valid
	X1.7	0,848	Valid
	X1.8	0,845	Valid
	X1.9	0,879	Valid
	X1.10	0,864	Valid
	Z1.1	0,836	Valid
	Z1.2	0,887	Valid
Customer	Z1.3	0,916	Valid
satisfaction	Z1.4	0,881	Valid
	Z1.5	0,836	Valid
	Z1.6	0,896	Valid
Customer loyalty	Y1.1	0,916	Valid
	Y1.2	0,957	Valid
	Y1.3	0,947	Valid
	Y1.4	0,952	Valid
	Y1.5	0,915	Valid

Source: Data processed 2024

Validity of Kovergen

A variable can be said to be valid when it is able to explain the type of indicator with an *Average Variance Extracted (AVE)* value of 0.5 or more. Based on the results of the analysis shown in table 2 below, it can be seen that the AVE value of all constructs > from 0.5 so that it is declared eligible for further analysis

Table 2. Covergen Validity

Tuble 2. Covergen valuaty			
Variable	Average Variance Extracted (AVE)	Information	
Customer Satisfaction (Z Variable)	0,869	Valid	
Quality of Service (Variable X)	0,670	Valid	
Customer Loyalty (Variable Y)	0,767	Valid	

Source: Data processed 2024

Model Reliability

This stage aims to measure the consistency of each indicator in explaining the variable construct. To find out how consistent each indicator is in explaining the variable construct, it can be seen in the analysis results in the *composite reliability* column or *Cronbach's alpha* which is set with a value of ≥ 0.7 . Based on the results of the analysis shown in table 3 below, it can be seen that *the value of Croanbach's alpha* and *composite reliability* \geq from 0.7 so that all variables are suitable for use in the next analysis.

Table 3. Composite Realibility and Cronbach's Alpha

Variable	Cronbach's Alpha	Composite Reliability	information
Customer Satisfaction (Z Variable)	0.962	0.971	Reliable
Quality of Service (Variable X)	0.944	0.953	Reliable
Customer Loyalty (Variable Y)	0.939	0.952	Reliable

Source: Data processed 2024

Bootstrapping

After testing the PLS Algorithm until it meets all the specified prerequisites, then a bootstrapping test is carried out to determine the path coefficients or the significance of the independent variable (X) to the dependent variable (Y) to test the research hypothesis. An independent variable can be said to have a significant effect on the dependent variable if the statistical significance value of T > t table (in this study t table = 1.659) and P value < 0.05, the influence value is shown in tables 4 and 5 below:

Table 4. Direct Effect (T- Test)

Variable	T Statistics	T Table	P Values	Cut Values
Customer Satisfaction (Variable Z1) -> Customer Loyalty (Variable Y1)	27,392	1,659	0,000	0,05
Quality of Service (Variable X1) -> Customer Satisfaction (Variable Z1)	16,866	1,659	0,000	0,05

Source: Data processed 2024

Table 5. Indirect Effect

Variable	T Statistics	T Table	P Values	Cut Values
Quality of Service (Variable X1) -> Customer Satisfaction (Variable Z1) -> Customer Loyalty (Variable Y1)	11,893	1,659	0,000	0,05

Source: Data processed 2024

The following is a picture of the path coefficient test obtained from the results of bootsrapping analysis using SmartPLS 3:

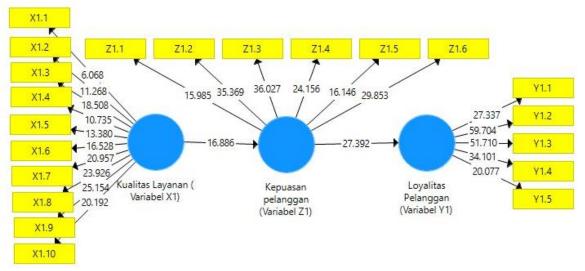


Figure 2. Model SEM

Hypothesis Testing

It is suspected that service quality has a positive and significant effect on customer satisfaction, the analysis results show a statistical T value of (16.886) > from the T table (1.659) with a P value of (0.000) < from 0.5 so that it can be stated that service quality has a positive and significant effect on customer satisfaction, which means **that the first hypothesis of this study is accepted.**

It is suspected that customer satisfaction has a positive and negative effect on customer loyalty, the results of the analysis show a statistical T value of (27.392) > from the T table (1.659) with a P value of (0.000) < from 0.5 so that it can be stated that customer satisfaction has a positive and negative effect on customer loyalty, which means **that the two hypotheses of this study are accepted.**

It is suspected that service quality has a positive and significant effect on loyalty through customer satisfaction, the results of the analysis show a statistical T value of (11.893) > from the T table (1.659) with a P value of (0.000) < from 0.5 so that it can be stated that service quality has a positive and significant effect on loyalty through customer satisfaction, which means **that the third hypothesis of this study is accepted.**

Discusion

The Relationship between Service Quality and Customer Satisfaction

The results of this study show that the quality of service at the Memet Weld and Dico Workshop in Palopo City has a positive and significant effect on customer satisfaction. These findings are consistent with previous studies that confirm that service quality is the main factor affecting customer satisfaction in various service sectors, including the workshop and vehicle repair sectors.

Customers have certain expectations when using workshop services, such as speed, reliability, and quality of work. When the workshop is able to meet or even exceed these expectations, the customer feels satisfied. For example, if the customer comes in with the expectation that the

repair will be completed on time and with satisfactory results, and the workshop is able to meet these expectations, then customer satisfaction will increase.

The positive customer experience at the Memet Weld and Dico Workshop, such as the friendliness of the staff and the ease of communication, greatly affected their satisfaction. Fast, professional, and effective service provides a pleasant experience, thereby increasing satisfaction.

Trust and Reputation Good service quality also builds customer trust in the workshop. Customers who feel that the workshop is reliable and always provides good results tend to feel satisfied. This trust is earned from consistent experience, such as quality welds and repairs, as well as fair and transparent treatment in terms of cost and time estimates.

These results are still in line with previous research that shows that service quality has a strong and significant relationship with customer satisfaction. Research Pradeep et al. (2020) conclude that the higher the quality of service perceived by customers, the more likely customers are to be satisfied. Customers who feel that the services they receive meet or exceed their expectations will show a higher level of satisfaction. Zamir and Kim, (2022) found that service quality has a significant direct influence on customer satisfaction.

The Relationship between Customer Satisfaction and Loyalty

The results of this study show that customer satisfaction has a positive and significant influence on customer loyalty at the Memet Weld Workshop and Dico Palopo City. Customers who are satisfied with the services provided tend to develop trust in the workshop. This trust is the foundation for long-term loyalty, as customers who believe in the quality and consistency of the service are more likely to stick with the same service. At the Memet Welding and Dico Workshop, for example, customers who are satisfied with the results of the repairs and services received are likely to come back in the future and recommend them to others.

When customers feel satisfied with the service provided, they develop a strong emotional connection with the workshop. This relationship strengthens loyalty as customers feel connected and valued by the workshop. At the Memet Welding and Dico Workshop, the satisfaction gained from friendly service and satisfactory repair results can encourage customers to keep coming back.

The satisfaction felt increases the perception of the value of the service, which encourages customers to continue the relationship with the workshop. For example, if a customer feels that the repair costs they incur are proportional to the quality of service received, they will be more likely to become loyal customers at Memet Weld and Dico Repair Shops.

The results of this study are in line with previous research which shows that there is a close relationship between customer satisfaction and customer loyalty. High satisfaction increases the likelihood of customers becoming loyal, but loyalty is also influenced by factors such as emotional attachment, trust, and past experiences (Soebandhi, Wahid, and Darmawanti 2020).

Research Risal et al. (2020) shows that customer satisfaction has a significant effect on customer loyalty. Satisfied customers tend to show loyal behavior, such as making repeat purchases and recommending products or services to others. They also found that customer

satisfaction can reduce price sensitivity, increase purchase frequency, and strengthen customer intent to stick with the company's services.

The Relationship between Service Quality and Loyalty through Customer Satisfaction

The results of this study show that the quality of service at the Memet Weld Workshop and Dico Palopo City has a positive and significant effect on customer loyalty through customer satisfaction. Customer satisfaction serves as a bridge between service quality and customer loyalty. Customers who are satisfied with the service they receive tend to stick with the service and even recommend it to others.

At Memet Welding and Dico Workshop, the high satisfaction of the quality of service provided makes customers more loyal, as they feel that this workshop can meet their expectations and needs consistently. Customers who are satisfied with the quality of the service feel that they get more value from the service. This perception of value increases satisfaction which ultimately encourages loyalty. At Bengket Memed Weld and Dico, if customers feel that they are getting quality service at a reasonable price and satisfactory results, they will be inclined to stay loyal and not turn to competitors.

These results are still in line with previous research that shows that customer satisfaction plays an important role as a mediator in the relationship between service quality and customer loyalty (Malelak et al., 2021). Ayodeji et al. (2023) found that customer satisfaction mediates the relationship between service quality and customer loyalty. In their study, perceived service quality positively affected customer satisfaction, and that satisfaction then led to increased customer loyalty. They emphasized that companies should focus on improving service quality to ensure continuous customer satisfaction and loyalty.

Implication

The implications of the research that can be provided based on the results of the research are, in order to increase customer loyalty, the management of the Memet Welding and Dico Workshop should focus on improving the quality of service in all aspects, such as service speed, repair reliability, staff friendliness, and consistent work results. By improving the quality of service, the workshop can increase customer satisfaction, which in turn will strengthen their loyalty.

Management can conduct regular training for staff to improve their competence and ability to provide quality services. In addition, continuous evaluation and monitoring of the services provided can ensure that quality standards remain high. Use regular customer satisfaction surveys to measure and monitor customer satisfaction levels. The survey results can be used to make the necessary improvements in the service and to adjust marketing and operational strategies.

Conclusion

The purpose of the study in drawing the conclusion of this study is to provide information and opportunities for readers to find out whether the main goal of the research has been achieved based on the data and analysis carried out.

The achievement or not in this study is a data and analysis carried out has been achieved, which can be explained as follows:

The quality of service provided by the Memet Welding and Dico Workshop in Palopo City has a positive and significant effect on customer satisfaction. When the quality of service is able to meet or exceed customer expectations, it not only increases their satisfaction but also strengthens customer trust and loyalty towards the workshop.

Customer satisfaction has a positive and significant influence on customer loyalty at the Memet Weld Workshop and Dico Palopo City. High customer satisfaction creates trust, emotional attachment, and a positive perception of value, all of which contribute to increased customer loyalty.

The high quality of service at the Memet Weld Workshop and Dico Palopo City has a positive and significant effect on customer loyalty through customer satisfaction. When customers are satisfied with the services they receive, it increases their trust and satisfaction, which ultimately strengthens loyalty.

Limitations of the study The researcher observed the lagsung excavation The researcher found limitations in the tools or technology used by the respondents so that it was difficult to answer the questionnaire in a certain situation.

Future studies of further research can be directed to look at stiuation and conditions in using tools and technology to see the range so as to get maximum research results.

Acknowledgement

Thank you and appreciation to the Supervisor Team who have spent their time, energy and thoughts in helping to complete this article. A huge appreciation to Family, Friends and Colleagues that I cannot mention one by one. Thank you also to the Rector of Muhamadiyah Palopo University for the opportunity and support provided in the completion of this article. The author also expressed his gratitude to the Sultan Idris Education University (UPSI), Perak, Malesia, for providing the Publication Grant Scheme for this project.

Reference

- Ade Galang Saputra, and Suwarti Suwarti. 2022. "The Role of Improving Waiter Services to Increase Customer Satisfaction." *Journal of Management, Economics and Entrepreneurship* 1(3): 12–19. doi:10.55606/jimek.v1i3.49.
- Aprileny, Imelda, Afzalur Rochim, and Jayanti Apri Emarawati. 2022. "The Effect of Service Quality, Price and Trust on Customer Loyalty through Customer Satisfaction." *Journal of STEI Economics* 31(02): 60–77. doi:10.36406/jemi.v31i02.545.
- Aqsa, Muhammad, M Risal, and Raodlah Nur. 2021. 4 Pinisi Discretion Review *Total Quality Management and Service Quality on Customer Satisfaction in Public Services*.
- Arianto, Nurmin, and Fiki Kurniawan. 2021. "The Effect of Service Quality and Promotion on Loyalty with Satisfaction as an Intervening Variable (Home Study of Screen Printing & Embroidery Clothing Products Industry)." *Journal of Competitive Marketing* 4(2): 254. doi:10.32493/jpkpk.v4i2.9647.
- Ayodeji, Yusuf, Husam Rjoub, and Hale Özgit. 2023. "Achieving Sustainable Customer Loyalty in Airports: The Role of Waiting Time Satisfaction and Self-Service Technologies." *Technology in Society* 72. doi:10.1016/j.techsoc.2022.102106.
- Bara, Fadela, and Tjahjani Prawitowati. 2020. "The Influence of Service Quality, Customer Satisfaction and Customer Engagement on Grab Customer Loyalty in Surabaya." *Journal of Business and Banking* 10(1): 33. doi:10.14414/jbb.v10i1.1760.

- Barlian, Barin. 2023. "The Effect of Product Quality and Service Quality on Customer Satisfaction." *Journal of Buana Informatics Cbi* 6(1): 037–043. doi:10.53918/jbicbi.v6i1.48.
- Hanapi, Ahmad, and Nurmin Arianto. 2021. "The Effect of Service Quality on Customer Loyalty with Satisfaction as an Intervening Variable in CV RJ Depok." *SWARA MaNajemen*: 97–112. http://openjournal.unpam.ac.id/index.php/JISM/article/view/11559/7141.
- Kaveski Peres, Clérito, and Edson Pacheco Paladini. 2021. "Exploring the Attributes of Hotel Service Quality in Florianópolis-SC, Brazil: An Analysis of TripAdvisor Reviews." *Cogent Business and Management* 8(1). doi:10.1080/23311975.2021.1926211.
- Khaddapi, Muammar, M Risal, and Nana Adriana. 2022. 5 Journal of Brand *Image, Customer Loyalty And Price To Consumer Purchase Decisions (Study On Customer Cafe & Resto Enzym Signature Palopo City)*.
- Khanh Giao, Ha Nam, and Bui Nhat Vuong. 2020. "The Impact of Service Quality on Passenger Loyalty and the Mediating Roles of Relationship Quality: A Study of Domestic Flights with Vietnamese Low-Cost Airlines." In *IFAC-PapersOnLine*, doi:10.1016/j.trpro.2021.09.011.
- Kotler, P., and G. Armstrong. 2023. Pearson *Principles of Marketing, Nineteenth Edition Global Edition*.
- Malelak, Sonya Lisabel, Budi Setiawan, and Silvana Maulidah. 2021. "Analysis of Marketing Mix on Consumer Loyalty: Empirical Study of Customer Satisfaction of Local Product." *International Journal of Business, Technology and Organizational Behavior* (*IJBTOB*) 1(3). doi:10.52218/ijbtob.v1i3.88.
- Masili, V, B Lumanauw, M V J Tielung, Influence of Quality, Service to, Customer Loyalty, Veronika Masili, et al. 2022. "THE EFFECT OF SERVICE ON CUSTOMER LOYALTY WITH CUSTOMER SATISFACTION AS AN INTERVENING VARIABLE AT MENTARI 'S STORE BUSINESS IN SEA VILLAGE, PINELENG DISTRICT, MINAHASA REGENCY By: 123J." 10(4): 44–51.
- Masitoh, Martina Rahmawati, Hermansyah Andi Wibowo, and Khairul Ikhsan. 2019. "The Effect of Service Quality, Customer Satisfaction, and Brand Trust on Customer Loyalty in Shopee Mobile Application Users." *Management Science* 5(1): 101–19. doi:10.30656/sm.v5i1.1515.
- Pradeep, Suja, Vanaja Vadakepat, and D. Rajasenan. 2020. "The Effect of Service Quality on Customer Satisfaction in Fitness Firms." *Management Science Letters* 10(9). doi:10.5267/j.msl.2020.2.011.
- Pramesty, Duwi Putri, S. Sapar, and Muhammad Aqsa. 2022. "The Effect of the 7P Marketing Mix and Service Quality on Customer Satisfaction." *Quantitative Economics and Management Studies* 3(2). doi:10.35877/454ri.qems928.
- Risal, M, Muhammad Aqsa, and Mahfud Sidiq. 2020. "Effect of Prices and Promotions on Consumer Loyalty through Gaby Hijab Consumer Satisfaction in Masamba, North Luwu Regency." *International Journal of Advanced Science and Technology* 29(5).
- Rossitya Dwi Setyawardani. 2021. "The Effect of Service Quality, Products and Customer Value on Customer Satisfaction and Customer Loyalty." *Journal of Bina Bangsa Ekonomika* 14(1): 230–39. doi:10.46306/jbbe.v14i1.79.
- Sari, Anisafitri, and Jojok Dwiridotjahjono. 2023. "Journal of Management & Business: The Effect of Service Quality on Loyalty through Customer Satisfaction as an Intervening Variable in Gojek Users in Lamongan Regency." *SEIKO : Journal of Management & Business* 6(1): 670–79. doi:10.37531/contemporary.v6i1.3889.

- Saripudin, Abin, Wawan Oktriawan, and Nunung Kurniasih. 2021. "The Effect of Service Quality on Customer Satisfaction of Saung Manglid Restaurant." *Muttaqien; Indonesian Journal of Multidiciplinary Islamic Studies* 2(01): 48–57. doi:10.52593/mtq.02.1.03.
- Sholikhah, Alfia Febriatu, and Hadita Hadita. 2023. "The Effect of Service Quality, Product Quality and Price on Customer Loyalty through Customer Satisfaction of Mie Gacoan in East Bekasi." *Journal of Economina* 2(2): 692–708. doi:10.55681/economina.v2i2.352.
- Soebandhi, Santirianingrum, Abdul Wahid, and Ira Darmawanti. 2020. "Service Quality and Store Atmosphere on Customer Satisfaction and Repurchase Intention." *BISMA* (*Business and Management*) 13(1). doi:10.26740/bisma.v13n1.p26-37.
- Susnita, Tia Aprilia. 2020. "The Effect of Service Quality and Customer Satisfaction on Customer Loyalty at the Libra Hotel, Kadipaten Majalengka Regency." *Juripol* (*Journal of Ganesha Medan Polytechnic Institution*) 3(1): 73–84. doi:10.33395/juripol.v3i1.10485.
- Suwannakul, Ekkarat, Siriporn Khetjenkarn, and Supaporn Wichaidit. 2024. "How the Service Quality of Regional Airport Affects Tourist Satisfaction with Airport Services and Their Intention to Revisit Secondary Cities: An Exploratory Study." *Journal of Quality Assurance in Hospitality and Tourism* 25(2). doi:10.1080/1528008X.2023.2194704.
- Zamir, Zahid, and DaeRyong Kim. 2022. "THE EFFECT OF QUALITY DIMENSIONS OF INFORMATION SYSTEMS ON KNOWLEDGE SHARING AND USER SATISFACTION." *International Journal of Entrepreneurial Knowledge* 10(1). doi:10.37335/ijek.v10i1.153.
- Zikri, Ahmad, and Muhammad Ikhsan Harahap. 2022. "Analysis of the Quality of Goods Delivery Services on Consumer Satisfaction at PT Pos Indonesia Regional I Sumatra." *Journal of Computer Science, Economics and Management (JIKEM)* 1(1): 129–38.