

THE INFLUENCE OF SERVICE QUALITY AND CUSTOMER VALUE ON CUSTOMER SATISFACTION AT WS HOTEL IN SURABAYA

Kevin¹, Christian Herdinata²

Magister Management Universitas Ciputra Surabaya¹

Doctor of Management and Entrepreneurship Universitas Ciputra Surabaya²

E-mail: kevinwong16@hotmail.com¹, christian.herdinata@ciputra.ac.id^{2*}

Corresponding Author:

Christian Herdinata

email: christian.herdinata@ciputra.ac.id

Abstract: This study aims to examine and analyze the variables that influence customer satisfaction. The variables studied include service quality, customer value and customer satisfaction. This research is quantitative in nature and focuses on the analysis of variables that affect customer satisfaction with a survey method approach using a questionnaire. The population in this study are WS hotel customers in the period from 2021 to 2023. The research was conducted on 159 respondents using a purposive sampling technique. The results of the study show that the service quality variable has a significant and positive effect on customer satisfaction variables, the service quality variable has a significant and positive effect on customer value, the customer value variable has a significant and positive effect on customer satisfaction and the service quality variable has a significant and positive effect on satisfaction customers through customer value intervening variables. This shows that maintaining and improving service quality has an impact on customer value which in the end is expected customer satisfaction to be achieved.

Keywords: *Service Quality, Customer Value, Customer Satisfaction*

Submitted: 2023-12-21; Revised: 2024-02-22; Accepted: 2024-03-06

1. Introduction

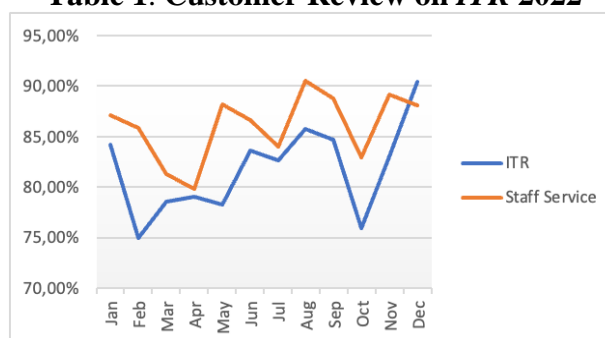
Indonesia is widely known as an archipelagic nation, making tourism one of the thriving industries that creates numerous opportunities for the hospitality business. With thousands of islands, some of which are inhabited, Indonesia boasts diverse cultures, with a population consisting of hundreds of ethnic groups and language variations. According to data from the Central Statistics Agency (Badan Pusat Statistik or BPS), foreign tourists visiting Indonesia in August 2022 reached 510,250, marking a significant increase of 28,727.46% compared to the same month the previous year, which had only 1,776 visitors. The number of foreign tourists in August 2022 also increased by 6.98% compared to July 2022. In 2022, Indonesia's tourism sector has shown signs of recovery, generating a nominal foreign exchange income of \$4,260,000,000. This figure represents a remarkable 869.4% increase from the \$490,000,000 recorded in 2021. Indonesia's tourism industry holds great potential, with culture playing a significant role closely tied to the hospitality sector.

The support from the Republic of Indonesia government, aimed at boosting the economy through tourism, has resulted in a competitive global hotel industry. In Indonesia, the competition in the hospitality industry doesn't only come from international hotel businesses but also from the

rise of local hotel networks originating from within the country. This directly challenges hospitality entrepreneurs to adapt their strategies, policies, and innovate to maintain relevance among their competitors. East Java plays a strategic role in the national economy, showing economic growth that surpasses that of other provinces. According to BPS, East Java recorded an economic growth rate of 7.22%, exceeding the national growth rate of 6.46%. Source: (<http://www.surabaya.go.id/>)

The global COVID-19 pandemic from 2020 to the present has presented new challenges for various industries, including the hospitality sector, which has been one of the hardest-hit by the pandemic. Hotels are required to continuously innovate in terms of products and services to remain competitive in the post-pandemic era with new policies and norms of humanity. Hotel WS is a 5-star hotel located in Surabaya. The hotel is built on the foundation of consistently introducing Good Health & Wellbeing to all its guests. Hotel WS features 200+ rooms divided into 3 types: Deluxe, Suite, and Club, a 24-hour fitness center with state-of-the-art equipment, 3 swimming pools, 2 restaurants, 1 lounge, and the largest Ballroom in East Java.

Table 1. Customer Review on ITR 2022



Bulan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ITR	84,2	75,0	78,6	79,1	78,3	83,6	82,7	85,8	84,7	75,9	83,0	90,4
Staff Service	87,1	85,9	81,3	79,8	88,2	86,6	84,0	90,5	88,8	82,9	89,2	88,1
Sample	230	147	168	184	204	179	197	147	167	233	189	185

Source: Processed Personal Data (2023)

Table 2. K Index Hotel WS in Surabaya

K Goal 2022	<U	P	SP	K
ITR	<82,2	82,2	83,7	84,2
Staff Service	<87,1	87,1	87,6	88,1

Source: Processed Personal Data (2023)

Table 1. shows customer assessment data in terms of customer satisfaction aspects (ITR) for the WS Hotel in Surabaya according to the K Index Goal Score metrics set by the company management, as outlined in Table 2. The assessments range from U (underperforming), P (performing), SP (strongly performing), to the highest in the acronym K, indicating a key performing. The assessment results fluctuate each month, indicating a noticeable level of customer satisfaction. However, the WS Hotel management in Surabaya evaluates that the customer satisfaction ratings are still below the desired level and inconsistent based on the management's targets outlined in Table 2, which represents the K Index for the WS Hotel in Surabaya. According to Table 1, the guest assessment metrics for the hotel in 2022 indicate that the K Index for the WS

Hotel in Surabaya was reached only 4 times for ITR and 5 times for Staff Service. The management aims to encourage future improvements in scores by enhancing customer satisfaction.

Based on customer assessment data that does not reach the Key Performer Index Score set by the company, pre-survey data on customer satisfaction at the WS Hotel, and comparison data with similar companies showing competition and differences from several previous studies, this research aims to explore the Impact of Service Quality and Customer Value on Customer Satisfaction at the WS Hotel in Surabaya. Based on the background that has been explained, the formulated problem is as follows:

1. Does Service Quality influence Customer Satisfaction at the WS hotel?
2. Does Service Quality influence Customer Value at the WS hotel?
3. Does Customer Value influence Customer Satisfaction at the WS hotel?
4. Does Service Quality influence Customer Satisfaction through Customer Value at the WS hotel?

Based on the problem formulation, the objectives of this research are as follows:

1. Analyzing the influence of Service Quality on Customer Satisfaction at the WS hotel.
2. Analyzing the influence of Service Quality on Customer Value at the WS hotel.
3. Analyzing the influence of Customer Value on Customer Satisfaction at the WS hotel.
4. Analyzing the influence of Service Quality on Customer Satisfaction through Customer Value at the WS hotel.

Tanjaya (2016), in his research, aimed to understand the quality of service in relation to customer value. The study utilized a quantitative method, employing questionnaire data as the research subject. With customer value as an intervening variable, the results indicated that service quality significantly influences customer satisfaction. This is relevant to the current researcher, who also investigates the influence of service quality on customer satisfaction through customer value.

Muspiha, Firman Gazali Djunaidi, and R.S. Masna Hatuwe (2020), in their study, aimed to explore the effects of service quality and product quality on customer satisfaction and loyalty in the Bank Pembangunan Daerah Maluku. The research found that both product quality and service quality significantly influence customer satisfaction at the Bank Pembangunan Daerah Maluku. This demonstrates that higher service quality and product quality lead to increased customer satisfaction. The relevance to the current research lies in the shared focus on investigating the influence of service quality on customer satisfaction.

Rustan Ali, Ulyana Muslimin, and Arfandy Dinsar (2020) conducted research with the goal of revealing and analyzing the extent of the influence of customer value and brand image on customer satisfaction at PT Bussan Auto Finance Parepare. The results showed that customer value and brand image have a positive and significant impact on the dependent variable, in this case, customer satisfaction at PT Bussan Auto Finance Parepare. This is relevant to the current researcher, as both studies examine the impact of value on customer satisfaction.

Theoretical Framework

Several theories related to the title of this research, its problems, and discussions have been integrated. The Planned Behavior Theory serves as a foundational perspective based on beliefs influencing an individual's behavior. This perspective combines quality, information attributes, and characteristics that ultimately shape an individual's willingness to behave (Yuliana, 2004). According to this theory, the attitude towards behavior, predicting actions, is a crucial factor. Ajzen (2005) states that if there is support from others and a positive attitude emerges, perceptions arise because this eliminates barriers to behavior, leading to a higher intention to behave. The Theory of Planned Behavior is employed in this research to examine an individual's displayed behavior,

where the individual first understands the reasons for behaving in a certain way. The theory identifies three determinants influencing an individual's intention: attitude, subjective norm, and perceived behavior control.

According to Deloitte (2020), service quality is a core driver of profitable business in the intention to repurchase goods because benefits, cost savings, and market share are highly integrated with service quality. Providing service quality is a significant tool for the company's sustainability and provides a competitive advantage. Parasuraman, Zeithaml, and Berry propose a model for service quality to measure ten service criteria: reliability, responsiveness, competency, access, courtesy, communication, credibility, security, understanding consumers, and tangibles. These criteria are simplified into five dimensions, including (1) Tangibles: Physical equipment, infrastructure, and employee efficiency; (2) Reliability: Willingness to carry out something accurately and precisely; (3) Responsibility: Responsibility to serve and provide assistance in a timely manner; (4) Assurance (including courtesy, competence, credibility, and security): Understanding and the ability to build confidence and trust from the customer; (5) Empathy (including access, communication, understanding customers): Offering personalized services and assistance to customers.

Kasiri et al. (2017) state, based on their research, that customer value is the perceived benefit of a customer regarding a specific product or service compared to the total cost sacrificed. The concept of customer value can be realized if customer value and satisfaction to the target are achieved. Customers choose from various offers, and according to a customer, they provide the highest value to the individual (Kotler & Keller; 2013). Customer value has four indicators, including Emotional Value (related to emotional feelings), Social Value (related to expected feelings), Quality/Performance (related to service quality), Price/Value for Money (related to customer expectations).

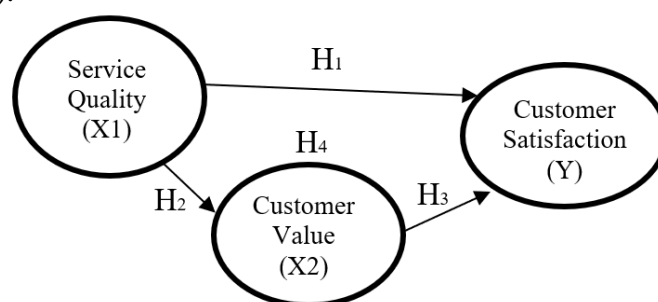


Figure 1. Analysis Model
Source: Processed Personal Data (2023)

Hypothesis

- H1: Service Quality has a significant influence on Customer Satisfaction at WS Hotel.
- H2: Service Quality has a significant influence on Customer Value at WS Hotel.
- H3: Customer Value has a significant influence on Customer Satisfaction at WS Hotel.
- H4: Service Quality has a significant influence on Customer Satisfaction through Customer Value

2. Research Method

This research will employ a quantitative research method. The study is conducted to test hypotheses among variables; therefore, it falls under causal research (Sugiyono, 2013). The purpose of this research is to analyze the influence of the independent variables, Service Quality and Customer Value, on the dependent variable, namely Customer Satisfaction. The research is

carried out in Surabaya by distributing questionnaires to customers who have stayed at WS hotels. The research duration spans from December 2022 to June 2023. To address the research problem, a population and a sample of respondents are targeted.

The research sample criteria include respondents who have made the decision to stay at WS hotels at least three times; respondents who have previously filled out customer satisfaction surveys for WS hotels; age range between 23-50 years; respondents who stay for reasons other than business corporate. Regarding the sample size, Hair et al., 2017, state that the sample size should be a minimum of the number of indicators multiplied by 5 - 10. Therefore, with 13 indicators, a minimum of 13 multiplied by 10, or 130 samples, is required. This research takes use of three variables with each conveying its indicators, variable of Service Quality with tangible, responsiveness, reliability, assurance, & empathy. Variable of Customer value with emotional value, social value, performance, & value for money for indicators. Lastly, variable of Customer Satisfaction with expectation, experience, willingness to recommend, & repurchase intent as its indicators.

In this research, the Google Form used contains statement items developed for measuring the variables under investigation using the Likert scale assessment method. In the study, the Likert scale utilized has five response levels arranged as follows:

Tabel 3. Likert Scale

No.	Statement	Code	Scoring
1.	Strongly Disagree	STS	1
2.	Disagree	TS	2
3.	Slightly Agree	CS	3
4.	Agree	S	4
5.	Strongly Agree	SS	5

Source: Dewi (2020)

The Likert scale used has a minimum score of 1 in the study, with the response "Strongly Disagree," and a maximum score of 5 in the study, with the response "Strongly Agree."

3. Results and Discussion

3.1. Results

The sample used in the study consists of WS hotel visitors who meet the research criteria, with details corresponding to the research sample.

Presentase Jenis Kelamin Responden

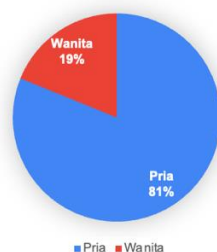


Figure 2. Percentage Graph of Respondents by Gender

Source: Personal Processed Data (2023)

The characteristics of respondents are shown in Figure 3.1, where 81% of the respondents are male, and 19% are female. The characteristics of the purposes of staying at WS hotel are illustrated in Figure 5.2. The largest group of respondents is for Family Holiday at 44.03%, followed by Business Trip at 32.1%, Staycation at 23.3%, Business at 1%, and Business Corporate at 0%.

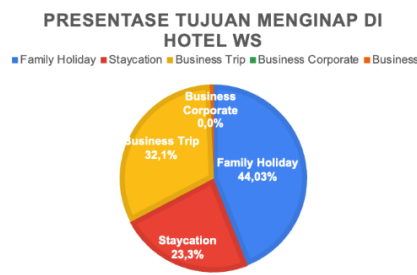


Figure 3. Percentage Graph of Purpose of Visit

Source: Processed Personal Data (2023)

The research variables include service quality, customer value, and customer satisfaction, with descriptions for each study as follows:

1. Service Quality

Table 4. Answer Distribution for Service Quality Variable

	Questions	Mean	Standard Deviation
SQ1	I feel the facilities at WS Hotel are Complete	4.472	0,4396
SQ2	I feel WS Hotel employees can always help me in any needed	4.321	0,4069
SQ3	I feel that WS Hotel employees are always swift in serving all my needs during my stay	4.472	0,4597
SQ4	I feel that WS Hotel employees are always friendly in providing services	4.553	0,4167
SQ5	I feel that employees at WS Hotel have a sense of sincerity in putting customers first	4.484	0,4465

Source: Output SmartPLS (2023)

Table 4. shows the mean and standard deviation of each service quality indicator. The highest mean is for SQ4 at 4.553, indicating that, on average, respondents agree with the question. The lowest standard deviation is for SQ2 at 0.4069, while the highest standard deviation is for SQ3 at 0.4597. Based on the standard deviation values, it can be concluded that SQ2 tends to be homogeneous, while SQ3 tends to be heterogeneous.

2. Customer Value

Table 5. Answer Distribution for Customer Value Variable

	Questions	Mean	Standard Deviation
CV1	I feel WS Hotel is the best Hotel in Surabaya	4.472	0,4722
CV2	I feel if I stay at WS Hotel can improve my social status	4.403	0,4417
CV3	I feel the quality of products to services at WS Hotel is better than its competitors	4.516	0,4181
CV4	I feel the quality of products to services at WS Hotel is better than its competitors	4.428	0,4507

Source: Output SmartPLS (2023)

Table 5. shows the mean and standard deviation of each customer value indicator. The highest mean is for CV1 at 4.472, indicating that, on average, respondents agree with the question. The lowest standard deviation is for CV3 at 0.4181, while the highest standard deviation is for CV1 at 0.4722. Based on the standard deviation values, it can be concluded that CV3 tends to be homogeneous, while CV1 tends to be heterogeneous.

3. Customer Satisfaction

Table 6. Answer Distribution for Customer Satisfaction Variable

	Questions	Mean	Standard Deviation
CS1	I feel like I'm getting what I'm worth it for	4.465	0,4528
CS2	I feel my decision is right to choose to stay at WS Hotel	4.566	0,4014
CS3	I recommend this Hotel to anyone who asks my opinion about Surabaya Inn	4.503	0,4035
CS4	I will always choose WS Hotel if I stay in Surabaya, I will always choose WS Hotel if I Stay in Surabaya	4.509	0,4396

Source: Output SmartPLS (2023)

Table 6. shows the mean and standard deviation of each customer satisfaction indicator. The highest mean is for CS2 at 4.503, indicating that, on average, respondents agree with the question. The lowest standard deviation is for CS2 at 0.4014, while the highest standard deviation is for CS1 at 0.4528. Based on the standard deviation values, it can be concluded that CS2 tends to be homogeneous, while CS1 tends to be heterogeneous.

Partial Least Square (PLS)

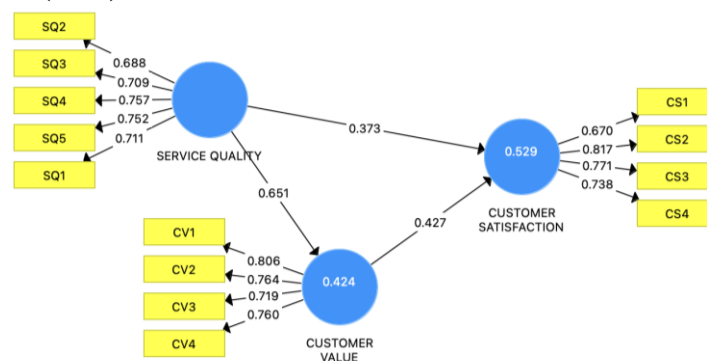


Figure 4. Algorithm model

Source: *Output SmartPLS (2023)*

Outer Model Analysis

a. Convergent Validity

Convergent validity can be tested using the threshold criteria of a loading factor greater than 0.7 and Average Variance Extracted (AVE) greater than 0.5.

- Outer Loadings

Table 7. Loading Factor

Indicat or	Customer Satisfaction	Customer Value	Service Quality	Remark
CS1	0,670			Tidak Valid
CS2	0,817			Valid
CS3	0,771			Valid
CS4	0,738			Valid
CV1		0,806		Valid
CV2		0,764		Valid
CV3		0,719		Valid
CV4		0,760		Valid
SQ2			0,688	Tidak Valid
SQ3			0,709	Valid
SQ4			0,757	Valid
SQ5			0,752	Valid
SQ1			0,711	Valid

Sumber: *Output SmartPLS (2023)*

Table 7. indicates that there are several variables with loading factors below 0.7, namely CS1 and SQ2. Therefore, they should be removed as they are not valid

- Outer Loadings Correction

Tabel 8. Loading Factor Correction

Indicator	Customer Satisfaction	Customer Value	Service Quality	Remark
CS2	0,833			Valid
CS3	0,805			Valid
CS4	0,784			Valid
CV1		0,811		Valid
CV2		0,764		Valid
CV3		0,714		Valid
CV4		0,760		Valid
SQ3			0,717	Valid
SQ4			0,788	Valid
SQ5			0,781	Valid
SQ1			0,703	Valid

Source: *Output SmartPLS (2023)*

After eliminating some indicators, new loading factors were obtained, and all of them are now >0.7, as seen in Table 3.5. This renders all variables valid.

- a. Average Variance Extracted

Table 10. AVE

	Average Variance Extracted (AVE)	Remarks
Customer Satisfaction	0,652	Valid
Customer Value	0,582	Valid
Service Quality	0,559	Valid

Source: *Output SmartPLS (2023)*

Variables can be considered valid if the Average Variance Extracted (AVE) is >0.5 (Ghozali, 2021). Table 3.6 shows that all the variables used have values >0.5, thus confirming the validity of all variables.

- b. Discriminant Validity

Tabel 11. Cross Loading

	Customer Satisfaction	Customer Value	Service Quality
CS2	0,833	0,505	0,533
CS3	0,805	0,480	0,519
CS4	0,784	0,525	0,450
CV1	0,528	0,811	0,601
CV2	0,461	0,764	0,453
CV3	0,473	0,714	0,433
CV4	0,431	0,760	0,497
SQ3	0,413	0,468	0,717
SQ4	0,553	0,503	0,788
SQ5	0,470	0,571	0,781
SQ1	0,405	0,406	0,703

Source: *Output SmartPLS (2023)*

Variables can be considered valid if the loading factor is >0.7 and is greater than the loading factor of other indicators of different variables (Ghozali, 2021). Table 3.7 shows cross-loadings for each indicator above 0.7 and greater than the loading factor of other variables. Therefore, it can be stated as valid.

Reliability Test Result

This testing utilizes Cronbach's alpha and composite reliability. It is considered reliable if the Cronbach's alpha is > 0.7 and the composite reliability is > 0.6 (Ghozali, 2021).

a. Cronbach's Alpha

Table 12. Cronbach's Alpha

	<i>Cronbach's Alpha</i>	<i>Remark</i>
<i>Customer Satisfaction</i>	0,733	Reliabel
<i>Customer Value</i>	0,761	Reliabel
<i>Service Quality</i>	0,738	Reliabel

Source: *Output SmartPLS (2023)*

From Table 3.8, it can be observed that the variables yield Cronbach's alpha > 0.7 , thus all can be considered reliable.

b. Composite Reliability

Table 13. Composite Reliability

	<i>Composite Reliability</i>	<i>Remark</i>
<i>Customer Satisfaction</i>	0,849	Reliabel
<i>Customer Value</i>	0,848	Reliabel
<i>Service Quality</i>	0,835	Reliabel

Source: *Output SmartPLS (2023)*

From Table 3.9, all variables produce composite reliability values > 0.6 . Therefore, the variables are considered to have reliable constructs, and the measurement of internal consistency and structural model achievement is attained.

Inner Model Analysis

The analysis is conducted to assess the magnitude of influence among the research variables in the structural model.



Figure 5. Bootstrapping Model

Source: *Output SmartPLS (2023)*

R-Square

Table 14. R-Square

Variabel	<i>R Square</i>	<i>Remark</i>
<i>Customer Value</i>	0,431	Moderat
<i>Customer Satisfaction</i>	0,467	Moderat

Source: *Output SmartPLS (2023)*

The R-Square measures the extent to which the endogenous variable is influenced by the exogenous variables. The R-Square values in Table 3.10 indicate that the influence of exogenous variables on the endogenous variable is moderate.

Q-Square

Table 15. Q-Square

Variabel	$Q^2 (= (1-(1-R_1^2)(1-R_2^2)...(1-R_p^2)))$	Remark
Customer Satisfaction	0,284	Predictive Relevance Baik >0
Customer Value	0,240	Predictive Relevance Baik >0

Source: *Output SmartPLS (2023)*

Based on Table 3.11, the Q-Square values for both variables are above 0, indicating that the structural model is capable of making good predictions.

F-Square

Table 16. F-Square

Jalur	F Square	Remark
Service Quality -> Customer Satisfaction	0,148	Lemah
Service Quality -> Customer Value	0,756	Kuat
Customer Value	0,153	Moderat

Source: *Output SmartPLS (2023)*

The F-Square values are used to determine the predictor variable latent. The table indicates that the path from service quality to customer satisfaction has a weak influence, the path from service quality to customer value has a strong influence, and the path from customer value to customer satisfaction shows a moderate influence.

Hypothesis Testing

Hypothesis testing is conducted by examining the original sample, T-Statistics, and P-Values. The hypothesis is considered significant if the T-Statistics value is above 1.96, and the P-Value is less than 0.05. Table 3.13 presents the hypothesis testing for direct effects obtained in the study:

Table 17. Direct Effect

H	Jalur	Original Sample	T-Statistics	P-Values	Remark
H1	Service Quality -> Customer Satisfaction	0,372	3,798	0,000	Signifikan dan Positif
H2	Service Quality -> Customer Value	0,656	12,908	0,000	Signifikan dan Positif
H3	Customer Value -> Customer Satisfaction	0,378	3,605	0,000	Signifikan dan Positif

Source: *Output SmartPLS (2023)*

Based on Table 5.13, the results of SmartPLS data analysis provide evidence for the hypotheses as follows:

- a. The data on the path of influence from service quality to customer satisfaction in hypothesis (H11) show that the original sample has a value of 0.372, and the T-Statistics has a value of 3.798, indicating that service quality has a positive influence on customer satisfaction. The P-Value is also 0.000, suggesting that service quality significantly affects customer satisfaction. Based on these results, the first alternative hypothesis (H11) is accepted.
- b. The data on the path of influence from service quality to customer value in hypothesis (H12) show that the original sample has a value of 0.656, and the T-Statistics has a value of 12.908, indicating that service quality has a positive influence on customer value. The P-Value is 0.000, suggesting that service quality significantly affects customer value. Based on these results, the second alternative hypothesis (H12) is accepted.

- c. The data on the path of influence from customer value to customer satisfaction in hypothesis (H13) show that the original sample has a value of 0.378, and the T-Statistics has a value of 3.605, indicating that customer value has a positive influence on customer satisfaction. The P-Value is 0.000, suggesting that customer value significantly affects satisfaction. Based on these results, the third alternative hypothesis (H13) is accepted.

Intervening Hypothesis Testing

Hypothesis testing for intervening variables serves the purpose of understanding the strength of the intervening variable in the study. Table 5.14 shows the results of the indirect effect test to determine the influence of the intervening variables in this study.

Table 18. Indirect Effect

H	Jalur	Original Sample	T-Statistics	P-Values	Remark
H4	Service Quality -> Customer Value -> Customer Satisfaction	0,248	3,367	0,001	Signifikan dan Positif

Source: *Output SmartPLS (2023)*

Based on Table 3.14 and the SmartPLS data analysis, the evidence for the hypothesis is as follows:

- a. The data on the path of influence from service quality to customer satisfaction through customer value in hypothesis (H14) indicate that the original sample has a value of 0.248, and the T-Statistics has a value of 3.367. This signifies that service quality, through customer value, has a positive influence on customer satisfaction. With a P-Value of 0.001, it is concluded that service quality through customer value significantly affects customer satisfaction. Based on these results, the fourth alternative hypothesis (H14) is accepted.

3.2. Discussion

The results of the data analysis phase indicate that the evaluation of the model constructed using collected field data shows good results and contributions. Descriptive analysis results indicate that customer satisfaction among WS hotel visitors is already in the good category, where the majority of respondents provide positive responses regarding the satisfaction, they obtain from WS hotel.

Influence of Service Quality on Customer Satisfaction

The results of the research regarding the influence of service quality on customer satisfaction are proven to have a significant and positive impact. This indicates that alternative hypothesis 1 can be accepted. It means that indicators of the service quality variable, including tangibles, responsiveness, assurance, and empathy, can influence the customer satisfaction variable at WS hotel. Therefore, indicators of service quality, such as tangibles, responsiveness, assurance, and empathy, should be a priority for the attention of WS hotel management because providing good service quality will have an impact on customer satisfaction at WS hotel.

The management of WS hotel should give special attention and provide service quality that aligns with customer expectations, so that the expected customer satisfaction can be achieved. Therefore, WS hotel needs to prepare service standards to be provided to guests, prepare materials, and provide periodic training for employees, and maintain the best facilities for guests to meet customer expectations. This is done so that WS hotel customers will feel more satisfied with the service received and meet the satisfaction expectations of WS hotel customers.

Influence of Service Quality on Customer Value

The results of the research on the influence of service quality on customer value are proven to have a significant and positive impact. This indicates that alternative hypothesis 2 can be accepted.

It means that indicators of the service quality variable, including tangibles, responsiveness, assurance, and empathy, can influence the customer value variable at WS hotel. Therefore, indicators of service quality, such as tangibles, responsiveness, assurance, and empathy, should be a priority for the attention of WS hotel management because providing quality service has an impact on the customer value at WS hotel.

WS hotel management should provide appropriate service quality that influences the customer value obtained by the customer, where the impact obtained from the customer includes feeling emotional value, social value, performance, and value for money that are expected to align with the expectations of WS hotel customers. This is done so that WS hotel customers will feel more satisfied with the service received and in line with the expected value from WS hotel customers.

Influence of Customer Value on Customer Satisfaction

The results of the research on the influence of customer value on customer satisfaction are proven to have a significant and positive impact. This indicates that alternative hypothesis 3 can be accepted. It means that indicators of the customer value variable, including emotional value, social value, performance, and value for money, can influence the customer satisfaction variable at WS hotel. Therefore, indicators of customer value, such as emotional value, social value, performance, and value for money, should be a priority for the attention of WS hotel management because if customers perceive value that aligns with their expectations, it will impact the customer satisfaction at WS hotel.

WS hotel management should pay attention to the customer value needed by customers, so that the expected customer satisfaction can be achieved. The main thing that WS hotel management must consider is to ensure that customers receive and perceive the benefits of services or products obtained from WS hotel commensurate with their expectations. In this case, ensuring the value of engaging in activities at WS hotel provides feedback in terms of emotional, social, performance, and value for money aspects. This is done so that WS hotel customers will feel more satisfied with the value obtained and in line with the expected satisfaction from WS hotel customers.

Influence of Service Quality towards Customer Satisfaction through Customer Value

The results of the research on the influence of service quality on customer satisfaction through customer value are proven to have a significant and positive impact. This indicates that alternative hypothesis 4 can be accepted. It means that service quality has a significant and positive influence on customer satisfaction through customer value as a mediating variable. If customer value increases, customer satisfaction will also increase.

WS hotel management should provide better service quality to influence the customer value obtained by customers, thus impacting the customer satisfaction at WS hotel. In this regard, the higher the customer value obtained after experiencing the service quality provided by the company, the better it will contribute to customer satisfaction.

4. Conclusion

Based on the analysis and discussion, the researcher draws concludes that firstly, it is evident that Service Quality influences substantially on Customer Satisfaction. Secondly, the study highlights that Service Quality also plays a significant role in influencing Customer Value. Furthermore, the research shows as well that Customer Value influences Customer Satisfaction significantly and lastly, the findings denote that Service Quality also influences Customer Satisfaction significantly through Customer Value.

Result Implications

This research is expected to provide additional insights for WS hotel to maintain good relationships with its customers and consistently improve the service quality provided to

customers. This continuous improvement in service quality is anticipated to have an impact on the customer value obtained, ultimately influencing and contributing to the desired level of customer satisfaction. Based on the findings of this research, WS hotel will make improvements for future development.

Suggestions

After conducting this research, the researcher has several recommendations that can be given to various parties, as follows:

1. **WS Hotel Management**

WS hotel management is expected to address areas that may be lacking based on this research by improving service quality for customers. This improvement is anticipated to have an impact on customer value, thus achieving the desired customer satisfaction and contributing to the accomplishment of the K Index Score Goal set. WS hotel management is also encouraged to enhance areas identified in this research by improving service quality for customers, impacting customer value, and achieving the expected customer satisfaction in line with the vision's goal of "Leading the market and creating extraordinary experiences through personalized and authentic services." Utilizing the research findings, WS hotel management can implement quality improvements for the development and sustainability of the business in the future.

2. **Similar Businesses**

Similar businesses are encouraged to pay attention to areas identified as lacking in this research by improving service quality for customers. Utilizing the research findings, similar businesses can implement quality improvements for future business development and sustainability.

3. **Future Research**

Future researchers may consider adding other variables and indicators to support their studies. Independent variables that can be added or replaced for more in-depth analysis include product quality, while intervening variables can be added or replaced with customer engagement variables. Dependent variables can be expanded to include customer loyalty, enabling more in-depth research specifically on customer satisfaction.

References

- Aditi, B., Hafizah, H., & Hermansyur, H. (2021). The Role of E-Services, Quality System and Perceived Value on Customer Satisfaction: An Empirical Study on Indonesian SMEs. *Journal of Industrial Engineering & Management Research*, 2(3), 193–205. <https://doi.org/10.7777/jiemar.v2i3.195>
- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50, 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Ajzen, I. (2005). Attitudes, Personality and Behavior. In *Mapping social psychology*.
- Ajzen, I. (2006). *Constructing a Theory of Planned Behavior Questionnaire* (pp. 1–12).
- Ali, R., Muslimin, U., & Dinsar, A. (2020). The Influence of Customer Value and Brand Image on Customer Satisfaction. *Amsir Management Journal*, 1, 27–37. <https://doi.org/10.56341/amj.v1i1.15>
- Bosompem Boadi, E., Wenxin, W., Bentum-Micah, G., Kwabena, I., Asare, I., & Bosompem, L. S. (2019). *Impact of Service Quality on Customer Satisfaction in Ghana hospitals: A PLS-SEM Approach*.
- Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention and behaviour: An introduction to theory and research* (Vol. 27).

- Heldalina, Firdaus, M., & Faisal, I. (2019). ANALISIS PENGARUH SERVICE QUALITY TERHADAP CUSTOMER SATISFACTION BANK SYARIAH Studi Pada PT. Bank Muamalat Indonesia dan Bank Syariah Mandiri di Banjarmasin. *JWM (Jurnal Wawasan Manajemen)*, 6, 237. <https://doi.org/10.20527/jwm.v6i3.167>
- Julita, J., & Quinella, R. (n.d.). *PENGARUH SERVICE QUALITY TERHADAP BRAND LOYALTY PADA HOTEL BINTANG 5 DI JAKARTA PUSAT*.
- Kualitas, P., Informasi, S., Dan, H., Pelayanan, K., Kepuasan, T., Pada, P., Grab, J., Kota, D., Robyardi, P. E., Sinarti, T., Mulyani, A., & Fitra Ananda, D. (n.d.). *Pengaruh Kualitas Sistem Informasi, Harga Dan Kualitas Pelayanan ISSN*. <https://jurnal.univpgri-palembang.ac.id/index.php/Ekonomika/index>
- Layanan, M., Pariwisata, D., Bisnis, F., & Ekonomika, D. (n.d.). *Pengaruh Service Quality terhadap Customer Satisfaction di Artotel Surabaya M.Fajar Maulana*. <http://www.jktproperty.com>
- Leonata, D. R. (2015). The Relationship Between Customer Satisfaction and Customer Loyalty in Online Environment. *IBuss Management*, 3(2).
- Muspaha, M., Djunaidi, F. G., & Hatuwe, R. S. M. (2020). THE EFFECT OF SERVICE AND PRODUCT QUALITY ON CUSTOMER SATISFACTION AND LOYALTY IN MALUKU REGIONAL DEVELOPMENT BANK (BPDM): (Pengaruh Pelayanan dan Kualitas Produk terhadap Kepuasan dan Loyalitas Nasabah pada Bank Pembangunan Daerah Maluku (BPDM)). *Uniqbu Journal of Social Sciences*, 1(2), 63–68. <https://doi.org/10.47323/ujss.v1i2.40>
- Pereira, D., Giantari, I. G. K., & Sukaatmadja, I. P. G. (2016). Pengaruh Service Quality terhadap Satisfaction dan Customer Loyalty Koperasi Dadirah di Dili Timor-Leste. *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, 05.
- Rachmawati, M., Novianti Priatna, S., & Kurniadi, W. (2021). The Performance Of Retailing Mix And Customer Relationship Management For Increasing Customer Value And Corporate Image Of PT. Hanan Boga Rasa Cathering, Snack And Bakery. In *Turkish Journal of Computer and Mathematics Education* (Vol. 12, Issue 8).
- Rahmayanti, D., Wirdianto, E., Arief, I., Zahra, A. F., & Ahmad, H. (2021). Factors Affecting Customer Satisfaction In E-Commerce. *Jurnal Ilmiah Teknik Industri*, 20(2), 164–172. <https://doi.org/10.23917/jiti.v20i2.15635>
- Sherly, S., & Keni, K. (2022). S-COMMERCE CUES SEBAGAI PREDIKTOR TERHADAP REPURCHASE INTENTION: CUSTOMER SATISFACTION SEBAGAI VARIABEL MEDIASI. *Jurnal Muara Ilmu Ekonomi Dan Bisnis*, 6, 43. <https://doi.org/10.24912/jmieb.v6i1.16190>
- Suciptawati, N. L. P., Paramita, N. L. P. S. P., & Aristayasa, I. P. (2019). Customer satisfaction analysis based on service quality: case of local credit provider in Bali. *Journal of Physics: Conference Series*, 1321(2), 22055. <https://doi.org/10.1088/1742-6596/1321/2/022055>
- Tanjaya, K. (2016). Analisa Pengaruh Perceived Service Quality Terhadap Customer Satisfaction Dengan Customer Value Sebagai Variabel Intervening Pada Program Manajemen Pemasaran Universitas Kristen Petra. *Jurnal Strategi Pemasaran*, 3(2).
- Tjahyono, A. S. (2015). Pengaruh Customer Value Terhadap Loyalitas Konsumen Dengan Customer Satisfaction Sebagai Variabel Intervening Terhadap Salon Shinjuku. *Jurnal Strategi Pemasaran*, 3(1), 1–11.