



Comprehensive Assessment of Service Quality, Perceived Value, Loyalty, and Customer Satisfaction: Integration and Implications for Modern Marketing Strategies

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ABSTRACT

This research is a qualitative study that aims to analyze factors that can trigger customer loyalty, including service quality, perceived value, and customer satisfaction. The method used in this study is a literature review by reviewing theories and previous journals put forward by experts, as well as the results of various previous studies regarding customer loyalty, service quality, perceived value, and customer satisfaction. This study explores the relationship between service quality and perceived value simultaneously on customer loyalty, both directly and through customer satisfaction. Although these two variables have often been discussed separately, a combined approach that looks at the impact of both while introducing a new perspective (novelty) that is rarely raised in customer loyalty studies. The results of the analysis show that service quality and perceived value have a significant contribution to increasing customer satisfaction and loyalty. These findings provide important insights for marketers, as they allow for the design of more effective strategies to attract and retain customers through

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1. INTRODUCTION

In an increasingly competitive and dynamic business environment, service quality and customer satisfaction are the main focus for companies to maintain market share and build customer loyalty (Kim et al., 2021). In the modern era, customers demand not only quality products, but also a satisfactory service experience and a high value perception of the products and services they receive. This phenomenon reflects a significant change in customer behavior, where loyalty is no longer solely driven by price or product quality, but also by the quality of interaction and overall customer satisfaction (Islam et al., 2021). Although many studies have acknowledged the importance of service quality and customer satisfaction in building loyalty, there is a significant gap in the literature regarding how the complex interaction between service quality, perceived value, customer satisfaction, and customer loyalty occurs (Islam et al., 2021; Kim et al., 2021; Silvestri et al., 2020; Simanjuntak et al., 2020; Tahir Islam., 2021). Previous studies have often isolated the relationship between two specific variables, resulting in a less thorough understanding of how these variables work together in creating customer loyalty. For example, many classical studies focus on direct relationships antara kualitas layanan dan

customer loyalty, where the quality of service is considered the main determining factor that affects loyalty. Research conducted by Kim et al., (2021), emphasizes the importance of customer perception of service quality as the main predictor of satisfaction and loyalty. Likewise, the study by Taufik et al., (2022) reinforces the idea that high service quality plays an important role in building customer loyalty.

In addition, a number of other studies also focus more on the effect of customer satisfaction separately. For example, some studies only explore how customer satisfaction affects loyalty without considering other factors that may play a role, such as perceived value or other elements of service quality (Achmadi et al., 2023; Azizan & Yusr, 2019; Cakici et al., 2019; Claes Fornell, Forrest V, Morgeson III G, Thomas M, Hult, 2020; Hunneman et al., 2021; Khoironi et al., 2018; Nguyen et al., 2020; Ruiz Díaz, 2017; Tahir Islam., 2021). These studies assume that customer satisfaction directly results in loyalty, regardless of how other variables can strengthen or weaken these relationships. However, studies that combine more than two variables for example, which look not only at the quality of service but also how perceived value (i.e., customer perception of the benefits they get compared to the costs they incur) affect satisfaction and loyalty are still limited. Perceived value is an important factor that can amplify or even replace the impact of service quality on satisfaction and loyalty, especially in a highly competitive market. Many customers may be satisfied with quality service, but without the perception that they are getting comparable value, their loyalty will not be solidly formed.

In addition, previous studies tended not to pay attention to customer satisfaction as a mediating variable that could link other variables such as service quality and perceived value with loyalty. For example, few studies have examined whether customer satisfaction acts as a bridge that converts positive perceptions of service quality and value into long-term loyalty (Huang et al., 2019; Pınar Özkan, 2019; Supriyanto et al., 2021). In some cases, service quality and perceived value may not directly increase loyalty, but need to go through customer satisfaction first before that customer commits to staying loyal to the brand or service.

Therefore, this literature gap points to the need for a more holistic and comprehensive approach that integrates all of these variables (service quality, perceived value, customer satisfaction, and customer loyalty) in a single research framework. The integration will provide a deeper understanding of the dynamics that occur between these factors and how companies can formulate more effective marketing strategies to increase customer loyalty on an ongoing basis. The study, which is a literature review, aims to fill this gap by collecting and analyzing a variety of related studies, in order to provide a deeper understanding of how these factors interact and affect overall customer loyalty. By exploring previous studies, this study also seeks to find inconsistencies or gaps in the literature that can be the basis for further research.

The significance of this research lies in the effort to compile a holistic picture of the relationship between these variables, which is important for companies to develop more effective customer-based marketing strategies. The novelty of this study lies in the integration of the concept of perceived value and customer satisfaction as a mediator in shaping customer loyalty, which has rarely been discussed thoroughly in previous literature. This research makes an important contribution to marketing literature by presenting a comprehensive analysis that can be used by academics and practitioners alike to understand the key factors underlying customer loyalty in the modern era. Problem Formulation How do customers shape their perception of service quality that impacts their satisfaction? How does the value of customer perception of the

quality of the service provided affect their satisfaction level? How the quality of the service provided affects the customer's decision to remain loyal to the company? How the perceived value of the customer contributes to their level of loyalty to the service in the company? How does the customer define satisfaction and its contribution to Customer loyalty?

2. LITERATURE REVIEW

Customer Loyalty

Customer loyalty is a customer's commitment to continue making purchases or using a company's products or services, which is indicated by consistency in choosing a particular brand (Kotler et al., 2019). Customer loyalty is "a strong commitment to a particular brand, service, or product, which results in consistent purchases in the future (Margarita Išoraitė, 2016). Customer loyalty as "the bound relationship between attitudes and repeated purchasing behaviors on a particular brand or service (Kuksov & Zia, 2021).

Loyalty is the only factor that determines the future success of a business. As such, customer loyalty is essential for long-term profits (Cavallone, 2017). Customer loyalty as "a complex relationship between attitudes and behaviors, in which customers not only show a preference for a particular brand but also have a sense of trust and satisfaction with that brand (Hughes, 2003). Customer loyalty is "a repetitive buying action that occurs because a customer is satisfied with the product or service received, and will choose that brand over another brand (Margaret Brooks, J. J. Lovett, 2015). Customer loyalty consists of two main elements: attitude and behavior. Attitude includes customer satisfaction with a product or service, while behavior includes real actions in the form of repeated purchases (Alok Kumar Rai, 2015).

Customer Satisfaction

Customer satisfaction is one of the most important aspects in today's business world (Kahwaji & Almubayed, 2016). In the midst of increasingly fierce competition, companies are required to not only provide high-quality products or services, but also to ensure that the customer experience in interacting with their brands is satisfactory (Aoyagi et al., 2021). Customer satisfaction can be used as a barometer to evaluate the extent to which a company meets or even exceeds customer expectations (Goi et al., 2021).

Customer satisfaction as "the customer's perception of how well a product or service meets their expectations, which impacts their intention to make future purchases and recommend to others (Krüger, 2016). Customer satisfaction is the result of a customer's overall experience with the brand, which includes how well a product or service meets pre-established expectations (Rosa et.al., 2020). Customer satisfaction is a customer's overall evaluation of their experience, which can be influenced by interactions with products, services, and even brands (Gary Armstrong et.al., 2018).

Customer satisfaction reflects how well a product or service meets or exceeds customer expectations, and plays an important role in building customer loyalty and trust (Claes Fornell et.al., 2020). Customer satisfaction is a key indicator of business performance, which refers to the positive feelings of customers after using the products or services provided by the company (Silvestri et al., 2020).

Perception Value

In an increasingly competitive marketing world, understanding consumer behavior is critical. One of the key aspects in consumer behavior is perceived value, which refers to an individual's subjective view of the benefits and costs of a product or service (Li & Shang, 2020). Perceived value not only influences purchase decisions, but also impacts customer loyalty and overall satisfaction (Habibi & Zakipour, 2022).

Perception value is a consumer's assessment of the value provided by a product or service based on their experience and expectations of quality and benefits obtained (Kotler & Keller, 2016). Perception value is a subjective evaluation by consumers regarding the benefits of a product compared to the cost incurred to acquire the product (Zeithaml et al., 2020). It is said that perception value is an assumption formed from consumer knowledge and experience of the product, which affects their purchase decision (Zeithaml et al., 2020).

Quality of Service

Various experts have come up with a definition of service quality that shows how complex this concept is. From measuring based on customer expectations to how their experience and perception contribute to the assessment of the service received, service quality often encompasses a variety of different dimensions.

Service quality as "the customer's perception of how well the service they received compared to their expectations (Zeithaml et al., 2020). Service quality is "the stage at which customer experience relates to perceived service performance." They emphasize the importance of meeting customer expectations to achieve high service quality (Ighomereho et al., 2022). Service quality can also be defined as a criterion used by customers to assess whether the services provided meet their needs and expectations (Zygiaris et al., 2022).

Service quality can be interpreted as a customer assessment that involves their level of satisfaction with the service received, and influences future purchase decisions (Zygiaris et al., 2022). Service quality reflects the extent to which the services provided meet or exceed customer expectations (Chowdhary & Prakash, 2021). Service quality is a measure of whether or not a service meets customer expectations, which consists of various elements such as reliability, responsiveness, and empathy (Ghotbabadi et al., 2015; Khoo, 2022).

From the various definitions that exist, Quality of Service and perceived value in general can be understood as a subjective assessment made by customers of a brand, which includes cognitive and emotional aspects. This assessment has a great effect on customer satisfaction and loyalty, thus forming a long-term, mutually beneficial relationship between the customer and the brand. Research on customer satisfaction and customer loyalty has been conducted by various researchers from different perspectives, including previous studies summarized in Table 1 below:

Table 1. Previous Journal Review

No	Author/ Title	Variables Used	Difference	Equation	Research Result
1	Syahsudarmin(2022): The Influence of	Service quality(X1) Customer satisfaction(Y)		1. Service quality(X1) 2. Customer satisfaction(Service quality affects customer satisfaction

	Service Quality on Customer Satisfaction:			Y)	
	A Case Study				
2	Huang et al., (2019): The influence of service quality on customer satisfaction and loyalty in B2B technology service industry	<ol style="list-style-type: none"> 1. Service Quality(X) 2. Customer Satisfaction(Z) 3. Brand Awareness(M) 4. Customer Loyalty(Y) 	<ol style="list-style-type: none"> 1. Brand Awareness(M) 	<ol style="list-style-type: none"> Service Quality(X1) Customer Satisfaction(Z) Customer Loyalty(Y) 	Service quality has a positive effect on customer satisfaction, which in turn has a positive effect on customer loyalty. Additionally, brand awareness strengthens the relationship between service quality and customer satisfaction.
3	Supriyanto et al., (2021): Effects of service quality and customer satisfaction on loyalty of bank customers	<ol style="list-style-type: none"> 1. Service quality(X1) 2. Customer satisfaction(X2) 5. Customer loyalty(Y) 	<ol style="list-style-type: none"> Service quality(X1) Customer satisfaction (Z) 2. Customer loyalty(Y) 	<ol style="list-style-type: none"> 1. Service quality(X1) 2. Customer satisfaction(Z) Customer loyalty(Y) 	Service quality does not have a significant effect on customer loyalty, but it does have a significant effect on customer satisfaction which then affects customer loyalty. Service quality has an indirect effect on customer loyalty through customer satisfaction.
4	Alzoubi et al., (2020): Do perceived service value, quality, price fairness and service recovery shape	<ol style="list-style-type: none"> 1. Perceived Service Value(X1) 2. Perceived Service Quality(X2) 3. Perceived Service Recovery(X3) 	<ol style="list-style-type: none"> 1. Perceived Service Quality(X2) 2. Perceived Service Recovery(X3) 3. Perceived Service 	<ol style="list-style-type: none"> 1. Perceived Service Value(X1) 2. Customer Satisfaction(Z) 	Perceived Service Value(X1), Perceived Service Quality(X2), Perceived Service Recovery(X3) dan Perceived Service

	customer satisfaction and delight? A practical study in the service telecommunication context	4. Perceived Service Price Fairness(X4) 5. Customer Satisfaction(Z)	Price Fairness(X4) 4. Customer Delight(Y)		Price Fairness(X4) Affects Customer Satisfaction(Z)
5	El-Adly (2019): Modelling the relationship between hotel perceived value, customer satisfaction, and customer loyalty	1. Perceived Value(X) ▪ Self-Gratification ▪ Aesthetics ▪ Price ▪ Prestige ▪ Transaction ▪ Hedonic ▪ Quality 2. Customer Satisfaction(Y) 3. Customer Loyalty(Y)	1. Self-Gratification 2. Aesthetics 3. Price 4. Prestige 5. Transaction 6. Hedonic 7. Quality	1. Perceived Value(X) 2. Customer Satisfaction(Y) 3. Customer Loyalty(Y)	Five of these seven dimensions; Specifically, the dimensions of self-satisfaction, price, quality, transactions, and hedonism were then found to have a significant direct positive effect on customer satisfaction and/or customer loyalty. Two dimensions of perceived value of the hotel (aesthetics, prestige)
6	Rahayu et al., (2020): Muslim customer perceived value on customer satisfaction and loyalty: Religiosity as a moderation	1. Muslim customer perceived value(X): ▪ Quality ▪ Price ▪ Emotional value ▪ Social value ▪ Islamic physical attribute ▪ NonIslamic physical attribute 2. Customer	1. Quality(x1) 2. Price(X2) 3. Emotional value(X3) 4. Social value(X3) 5. Islamic physical attribute(X4) 6. Non Islamic physical attribute(X5) 7. Religiosity (M)	1. Muslim customer perceived value(X) 2. Customer Satisfaction(Z) 3. Customer Loyalty(Y)	Muslim customer Perceived Value and its 7 dimensions affect customer loyalty both directly and through Customer Loyalty

		Satisfaction(Z)			
		3. Religiosity			
		(M)			
		4. Customer Loyalty(Y)			
7	Pinar Özkan et.al., (2019): The effect of service quality and customer satisfaction on customer loyalty	1. Customer Satisfaction(X1) 2. Service Quality (X2) 3. Perceived value of services(Z1) 4. Corporate Image(Z2) 5. Corporate Reputation(Z3) 6. Customer Loyalty(Y)	1. Corporate Image(Z2) 2. Corporate Reputation (Z3)	1. Customer Satisfaction (X1) 2. (X1) 3. Service Quality (X2) 4. Perceived value of services(Z1) 5. Customer Loyalty(Y)	Customer Quality Perception and satisfaction influence loyalty through perceived value, image, and reputation.
8	Tzavlopoulos et al., (2019): Determining the impact of e-commerce quality on customers' perceived risk, satisfaction, value and loyalty	1. Service Quality(X1) 2. Satisfaction(X2) 3. Perceived value(Z1) 4. Perceived risk(Z2) 5. Customer loyalty(Y)	1. Perceived risk(Z2)	1. Service quality(X1) 2. Satisfaction(X1) 3. Perceived value(Z1) 4. Customer loyalty(Y)	Service quality and customer satisfaction affect Customer Loyalty both directly and through Satisfaction (X1), and Perceived value (Z1)
9	Azizan & Yusr, (2019): The Influence Of Customer Satisfaction, Brand Trust And Brand Image Towards	1. Customer Satisfaction(X1) 2. Brand trust(X2) 3. Brand Image(X3)	2. Brand trust(X2) 3. Brand Image(X3)	1. Customer Satisfaction(X1) 2. Customer Loyalty(Y)	Customer Satisfaction(X1), Brand trust(X2) and Brand Image(X3) affect Customers Loyalty(Y)

Customer Loyalty	4. Customer Loyalty(Y)				
10	Nguyen et al., (2020): Impact of Service Quality, Customer Satisfaction and Switching Costs on Customer Loyalty	<ol style="list-style-type: none"> 1. Reliability (X1) 2. Responsiveness (X2) 3. Service capacity (X3) 4. Empathy(X4) 5. Tangibility (X5) 6. Customer satisfaction(Z) 7. Customer loyalty(Y) 	<ol style="list-style-type: none"> 1. Reliability (X1) 2. Responsiveness (X2) 3. Service capacity (X3) 4. Empathy(X4) 5. Tangibility (X5) 	<ol style="list-style-type: none"> 1. Customer satisfaction(Z) 2. Customer Loyalty(Y) 	Reliability(X1), Responsiveness (X2), Service capacity (X3), Empathy(X4), Tangibility and (X5) affect Customer satisfaction(Z) and Customer Satisfaction affect Customer loyalty(Y)

Sumber: Diolah peneliti(2024)

3. RESEARCH METHODS

This research uses a qualitative approach through literature analysis. The literature review will focus on the relationship between Customer Loyalty, Customer Satisfaction, Perceived Value, and Quality of Service. In this study, an analysis was carried out on 10 papers that had gone through a peer-review process and were related to the three concepts. These papers were collected from a variety of sources, including Science Direct, Web of Knowledge, and Scopus (Elsevier). Each of these peer-reviewed papers has been analyzed and summarized to achieve the set research objectives. Details regarding the distribution of journals and publishers are presented in Table 1 above, which includes information about article titles, authors, year of publication, differences, similarities and research results.

The qualitative research methodology for researching literature aims to explore insights and create a deeper understanding of a phenomenon, as well as produce relevant new theories. This process is iterative and can involve continuous revision of existing views and hypotheses (Munawar et al., 2021). Qualitative research methodologies in researching literature to produce new theories usually involve several important steps (Denny & Weckesser, 2022; Jennings, 2012).

4. ANALYSIS AND DISCUSSION

Based on the formulation of the problem and the literature review, the discussion of this article is arranged to discuss the key findings and implications resulting from the research. Here are the points that summarize the main themes and insights presented:

1. Quality of service and customer satisfaction

Service quality is one of the key factors affecting customer satisfaction in various industries, including retail, hospitality, and healthcare (Huang et al., 2019; Supriyanto et al., 2021; Syahsudarmi, 2022). Service quality includes various elements, such as speed, accuracy, employee attitude, and the ability to meet customer expectations. When customers feel that the service they receive meets or even exceeds their expectations, their satisfaction levels tend to be higher. Conversely, poor or inappropriate service can lead to dissatisfaction. (Huang et al., 2019; Supriyanto et al., 2021; Syahsudarmi, 2022).

According to the SERVQUAL model, there are five dimensions of service quality: tangibles (physical appearance and equipment), reliability (ability to consistently provide promised service), responsiveness (willingness and ability of employees to help customers and provide prompt service), assurance (knowledge and courtesy of employees and their ability to give trust to customers), and empathy (individual attention given to customers). Each of these dimensions contributes to the customer's perception of service quality which ultimately affects their satisfaction (Burböck, 2014; Roslan et al., 2015).

Various studies show that there is a positive relationship between service quality and customer satisfaction. If customers are satisfied with the quality of the service, they are more likely to return to using the service and recommend it to others (Alzoubi et al., 2020; Huang et al., 2019; Supriyanto et al., 2021; Syahsudarmi, 2022). It can also impact customer loyalty and increase retention. Customer satisfaction not only affects their decision to reuse the service but also affects customer loyalty. Satisfied customers are more likely to recommend services to others, which in turn can attract new customers (Nguyen et al., 2020; Rahayu et al., 2020). Good service quality can create a positive image for the company and build a strong reputation in the market.

From the description above, it can be concluded that the influence of perception value on customer satisfaction is very significant. Customers who feel a high value of a product or service tend to feel satisfied, which further affects their loyalty. Therefore, companies must focus on increasing perceived value to achieve greater customer satisfaction and loyalty. Understanding and managing perceived value is key to success in creating a positive customer experience and building sustainable relationships.

1. Value and customer satisfaction

Perception value refers to a person's understanding of the benefits received from a product or service compared to the costs or sacrifices incurred to obtain the product or service (Konuk, 2019; Samudro et al., 2020; Segoro, 2013). In the context of business, perceptual value plays an important role in shaping customer satisfaction (Rico et al., 2019).

Several studies have shown a significant relationship between perceived value and customer satisfaction. For example, research by (Zeithaml et al., 2020), suggests that customers often evaluate products or services based on their perception of the value they receive compared to the

cost. The results of this study show that a positive perception value will increase the level of customer satisfaction. In addition, a study conducted by (Zygiaris et al., 2022), on service quality noted that the value dimension consisting of quality, price, and benefits contributes integral to customer perception. They found that when customers felt they were getting high-quality service at a suitable price, their satisfaction levels increased significantly.

When customers consider that the value they receive is greater than the cost they spend, they will experience higher satisfaction (Segoro, 2013). Research by (El-Adly, 2019; Rahayu et al., 2020), also showed that a high perception value tends to increase customer satisfaction, because customers feel that their investment in the product or service is worth the results obtained. This can include product quality, good service, and overall experience when transacting. Customer satisfaction is also influenced by the extent to which perceived value meets or exceeds their expectations. Research by Alzoubi et al., (2020), shows that when the perceived value matches or is better than customer expectations, satisfaction tends to increase. Conversely, if the perceived value is low and does not meet expectations, customers can feel disappointed, which can affect their loyalty to the brand or company.

A high perceived value not only increases customer satisfaction but also impacts customer loyalty. Satisfied customers are more likely to return to the same product or service and recommend it to others. Research by Habibi & Zakipour, (2022); Li & Shang, (2020); Zeithaml et al., (2020), showed that customer satisfaction has a positive impact on customer retention, which is a key factor for business success. In the long run, this contributes to the company's business growth and positive reputation in the market.

From the description above, it can be concluded that the influence of perception value on customer satisfaction is very significant. Customers who feel a high value of a product or service tend to feel satisfied, which further affects their loyalty. Therefore, companies must focus on increasing perceived value to achieve greater customer satisfaction and loyalty. Understanding and managing perceived value is key to success in creating a positive customer experience and building sustainable relationships.

1. Quality of service and customer loyalty

Service quality is an important factor that affects customer loyalty across various industries, including retail, hospitality, and healthcare (Claes Fornell, Forrest V, Morgeson III G, Tomas M, Hult, 2020; Naini et al., 2022; Rather, 2021). Customer loyalty refers to the tendency of customers to continue using products or services from a particular brand and recommend them to others (Kuksov & Zia, 2021; Margarita Išoraitė, 2016).

Good service quality creates a positive experience for customers. A number of studies, such as those conducted by Nguyen et al., (2020), state that high service quality directly impacts customer satisfaction, which in turn drives loyalty. When customers feel valued through good, responsive, and consistent service, they are more likely to return to using the product or service. Research by Ghotbabadi et al., (2015) and Khoo, (2022), shows that the relationship between service quality and customer loyalty is significant. They found that customers who experienced quality service tended to have a better perception of value. If customers feel like they're getting value for what they're paying for, their loyalty tends to increase.

Furthermore, good service quality builds trust between customers and the company (Dhasan & Aryupong, 2019; Mahmoud et al., 2018). Research conducted by Alzoubi et al., (2020)

; Huang et al., (2019) and Supriyanto et al., (2021), show that trust is a key factor in creating long-term relationships. When customers believe that the company will deliver on its promises and provide consistent service, they are more likely to remain loyal. Customers who are satisfied with the quality of service are also more likely to recommend the brand to others, improving the company's reputation (Huang et al., 2019). High quality of service not only contributes to long-term loyalty but also increases the likelihood that customers will be willing to pay more for a product or service from a brand they trust (Rico et al., 2019). Research by Tzavlopoulos et al., (2019), emphasizes that the cost of retaining existing customers is usually lower than attracting new customers.

Overall, the quality of service has a significant impact on customer loyalty. Companies that focus on improving service quality can enjoy a sustainable competitive advantage. Therefore, it is important for companies to actively evaluate and improve the quality of their services in order to maximize customer satisfaction and loyalty. By building strong relationships through superior service quality, companies can create a loyal and profitable customer base in the future.

1. Value customer perception and loyalty

Perceived value refers to the customer's assessment of the benefits they get from a product or service compared to the costs they incur. In the context of business, perceived value has a significant influence on customer loyalty, namely the tendency of customers to continue to choose a certain brand or product and recommend it to others (Munawar et al., 2021; Rather, 2021).

Perceived value is closely related to customer experience; when customers feel a high value of a product or service, they tend to have a positive experience (Kotler & Keller, 2016; Zeithaml et al., 2020). For example, research by (Zeithaml et al., 2020), suggests that when customers feel that they get more benefits than the costs incurred, they will feel satisfied and tend to be loyal to the brand. The quality of the product and the price offered also affect the perceived value. Research by Alzoubi et al., (2020) and El-Adly, (2019), shows that customers who believe that a product has high quality at a reasonable price will be more loyal. When customers feel they get good value, they are more likely to return to use the product or service.

A high perceived value contributes to customer satisfaction, which is a key factor in fostering loyalty. A Segoro study, (2013), shows that customer satisfaction that comes from positive perceived values supports higher loyalty. When customers feel their needs and expectations are being met, they will be more likely to remain loyal. Strong perceptual values can also build customer trust in the brand. Research by Chaudhuri and Holbrook (2001) shows that when customers feel valued and get value from a product, their trust in the brand increases. This trust allows the company to build long-term relationships with customers. In addition, customers who feel the high value of a product or service will not only return to use it, but are also more likely to recommend it to others. Research by Ismail, (2017), emphasizes that the value of good perception contributes to word-of-mouth promotion and a company's positive reputation.

Overall, perceived value has a significant influence on customer loyalty. Customers who feel the high value of a product or service are more likely to loyal, feel satisfied, and willing to recommend the brand to others. Therefore, it is important for companies to focus on increasing perceived value through product quality management, good service, and price accuracy. By

understanding and managing the value of perception, Companies can build a loyal and sustainable customer base, which in turn will support long-term business growth and success.

1. Customer satisfaction and customer loyalty

Customer satisfaction is a key factor that affects customer loyalty in business (Kahwaji & Almubayed, 2016; Zeithaml et al., 2020). When customers are satisfied with a product or service provided, they tend to show higher loyalty to the brand or company. Customer satisfaction is defined as the feeling of pleasure or satisfaction that customers experience after using a product or service, usually derived from a comparison between expectations before purchasing and the reality they experience after using a product or service. When an experience meets or exceeds expectations, satisfaction levels increase (Aoyagi et al., 2021; Krüger, 2016).

Many studies show that there is a positive relationship between customer satisfaction and loyalty. For example, research by (Huang et al., 2019) shows that customer satisfaction is a strong predictor of loyalty. Satisfied customers are more likely to stick with the same product or service in the future and are more willing to recommend the brand to others. Customer satisfaction is affected by a variety of factors, including product quality, service, price, and overall experience. According to the SERVQUAL model, dimensions such as tangibles, reliability, responsiveness, assurance, and empathy contribute to customer perception of service quality, which in turn affects their satisfaction levels (Zhong & Moon, 2020). Customers who experience high satisfaction are not only more likely to remain loyal, but can also become brand advocates, recommending products or services to friends and family. This contributes to the improvement of the brand's reputation and image. Research by Cakici et al., (2019), shows that the cost of retaining existing customers is usually lower than attracting new customers, so high satisfaction is essential for a company's long-term bottom line.

Customer loyalty is not only demonstrated through repeat purchases, but also through the positive influence they exert on the company. Loyal customers are usually more willing to provide feedback, participate in loyalty programs, and take part in promotions held by the company (Bezerra & Gomes, 2019; Rahayu et al., 2020; Rico et al., 2019).

Overall, customer satisfaction has a significant influence on customer loyalty. Satisfied customers tend to be more loyal, feel more attached to the brand, and are more likely to recommend it to others. Therefore, companies should focus on improving customer satisfaction through good product and service quality, as well as a positive customer experience. By doing so, companies can build a loyal customer base and support the success of the business in the long run. Building a strategy that puts customer satisfaction first will contribute to increased customer loyalty and the development of long-term, mutually beneficial relationships.

Conceptual Framework

Based on the study of theory and the relationship between variables, a conceptual framework can be built in this article that is designed to describe the interaction between key constructions and provide a basis for developing hypotheses. This framework describes the expected relationship between independent, dependent, as well as mediator or moderator variables involved in the research.

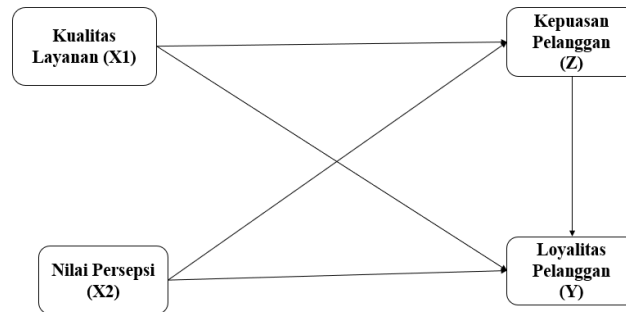


Figure 1. Conceptual Framework

Referring to figure 1 above, it is reasonable to suspect that Service Quality (X1), Perception Value (X2), and Customer Satisfaction (X3) can directly drive Customer Loyalty (Y). In addition, Service Quality (X1) and Perception Value (X2) also have an indirect effect on Customer Loyalty (Y). The Conceptual Framework refers to the results of the research:

1. Quality of Service (X1) and Customer Satisfaction (X3): Syahsudarmin (2022); Huang et al., (2019); Supriyanto et al., (2021); Alzoubi et al., (2020).
2. Perception Value (X2), and Customer Satisfaction (X3): Alzoubi et al., (2020); El-Adly (2019); Rahayu et al., (2020).
3. Quality of Service (X1) and Customer Loyalty (Y): Syahsudarmin (2022); Huang et al., (2019); Upriyanto et al., (2021); Rahayu et al., (2020); Tzavlopoulos et al., (2019).
4. Nilai Persepsi (X2) dan Loyalitas Pelanggan (Y): Alzoubi et al., (2020); El-Adly (2019); Rahayu et al., (2020); Pinar Özkan et.al., (2019); Tzavlopoulos et al., (2019).
5. Kepuasan Pelanggan (X3) dan Loyalitas Pelanggan (Y): Syahsudarmin(2022); Supriyanto et al., (2021); Alzoubi et al., (2020); Rahayu et al., (2020); Pinar Özkan et.al., (2019); Tzavlopoulos et al., (2019); Azizan & Yusr, (2019); Nguyen et al., (2020).

5. CONCLUSION AND SUGGESTION

Conclusion

The following are some of the concluding points resulting from the research findings:

1. There is an important interaction between Service Quality Promotion (X1), Perception Value (X2), and Customer Satisfaction (X3) that collectively affects Customer Loyalty (Y).
2. Good service quality contributes significantly to customer satisfaction, which is a key factor in creating customer loyalty to the brand or product.
3. The value perceived by customers plays an important role in shaping their satisfaction; The higher the value they see, the more likely they are to be loyal to the product.

In addition to the main variables in the research, other variables such as Brand Image, Product Quality, and Customer Experience also play an important role and should be considered in the formulation of marketing strategies.

Suggestion

These findings suggest companies to focus not only on service quality, but also pay attention to brand image and customer experience to improve satisfaction and loyalty in a competitive market. Companies should develop marketing strategies that focus more on improving service quality and perceived value to increase customer satisfaction and loyalty. Training for staff on the importance of quality customer service can improve the customer experience and increase their satisfaction. It is important to regularly measure customer satisfaction and gather feedback to continuously improve products and services. Recommendations for further research to explore additional variables that may affect customer loyalty as well as conduct studies in other industry sectors to generalize findings.

Thus, the conclusions and recommendations of this study provide insights to increase customer satisfaction and loyalty which can be beneficial for the development of the company's strategy in the future.

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