

# The Effect of Customer Value and Service Quality on Customer Satisfaction and the Implications for Telkomsel Prepaid Card Purchasing Decisions

M. Ali Iqbal<sup>1</sup>, Parwoto<sup>2</sup>, Rhian Indradewa<sup>3</sup>

<sup>1,2</sup>Faculty of Economics and Business, Mercu Buana University, Jakarta, Indonesia

<sup>3</sup>Faculty of Economics and Business, Esa Unggul University, Jakarta, Indonesia

Corresponding Author: M. Ali Iqbal

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## ABSTRACT

The Indonesian telecommunications industry has been heavily affected by the rapid advances in telecommunications technology. Mobile telecommunications are an advancement in the field of communication technology. One of the cellular telephone service providers in Indonesia is PT Telkomsel. In Indonesia, Telkomsel, which launched its postpaid service on May 26, 1995, is the second GSM (Global System Mobile) cellular telephone provider. With 169.2 million users as of June 2021, PT. Telekomunikasi Indonesia (Persero) Tbk has increased its customer base by 5.7% from the same period last year. Telkomsel has a total of 162.48 million cellular subscribers. The remaining 6.72 million people are postpaid subscribers. The cellphone provider in Indonesia with the most customers as of June 2021 is PT. Cellular Telecommunications (Telkomsel). Customer satisfaction is very important for the survival of a company, so it is very important for companies to be able to leverage consumer preferences to offer consumer value, provide excellent customer service, and ultimately drive repeat business. In connection with the above, the authors need to conduct a study on customer satisfaction and decision making to buy Telkomsel prepaid card cellular users. This study aims to examine the phenomenon of making a decision to buy both in terms of customer satisfaction, customer value and service quality. It is hoped that Indonesia will be able to use the findings from this mobile research as a guide to further improve the functionality of Telkomsel's prepaid card. Research with a conclusive design, or a type of inference research that seeks to test

certain hypotheses, is what is used. This can be descriptive, exploring a problem, or correlative, looking for relationships between variables between the independent and dependent variables. Customer value has a direct and significant effect on customer satisfaction. Customer value has a direct and not significant effect on purchasing decisions. Service quality has a direct and significant effect on customer satisfaction. Service quality has a direct and not significant effect on purchasing decisions. Customer satisfaction has a direct and significant effect on purchasing decisions. Customer value has an indirect and is not significant effect on purchasing decisions through customer satisfaction. Service quality has an indirect and significant effect on purchasing decisions through customer satisfaction. The practical implication is that Telkomsel prepaid cards must manage customer value as an important factor influencing customer satisfaction as well as service quality as the most important factor influencing purchasing decisions and managing customer satisfaction as the most important factor influencing purchasing decisions.

**Keywords:** Customer Value, Service Quality, Customer Satisfaction, and Purchase Decision.

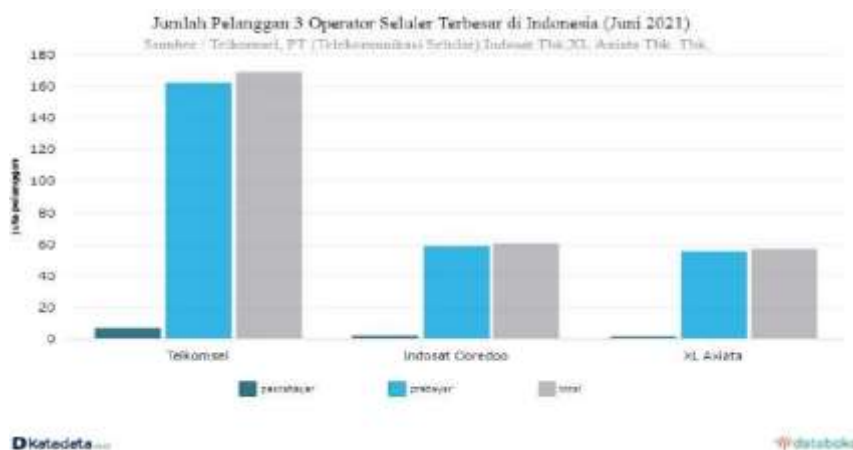
## INTRODUCTION

Telecommunications service providers in Indonesia are heavily affected by the rapid advancement of telecommunications technology. The progress of telecommunications is one of the advances in cellular telecommunications. Cellular-based technology is increasing along with the

increasing needs of the community for mobility and the increasing desire to communicate at any time. Whether formal or informal, communication is a way for two parties to exchange relevant and timely information. On the one hand, time and financial advances in technology have reduced the distance between customers and manufacturers. Consumer spending habits on communication devices, particularly cellular cards, have a tendency to change rapidly in a highly competitive market environment supported by information networks.

The high trading volume of cellular business cards with various types and brands provided by manufacturers, as a result of trends that are mostly driven by consumers, will result in increasingly intense competition in the trading business. One of the cellular telephone service providers in Indonesia is PT. Telkomsel. Established on May 26, 1995, Telkomsel is the second GSM (Global System Mobile) postpaid cellular telecommunication provider in Indonesia. Telkomsel needs to advance in a number of ways, including by strengthening its marketing approach. Therefore, Telkomsel is

one of the most well-known cellular service providers. Telkomsel is also claimed to be the only cellular service provider in Indonesia with the largest network coverage, reaching more than 95% of the country's population. Customers play an important role in determining this trend as competition in the market for the various types and brands of mobile cards that makers offer is fierce. One of the cellular telephone service providers in Indonesia is PT. Telkomsel. Established on May 26, 1995, Telkomsel is the second GSM (Global System Mobile) postpaid cellular telecommunication provider in Indonesia. Telkomsel needs to advance in a number of ways, including by strengthening its marketing approach. Telkomsel is one of the more well-known cellular service providers. It is claimed that Telkomsel is the only cellular service provider in Indonesia with the largest network coverage, as it offers coverage to more than 95% of the country's population. Several companies with the largest number of service users in Indonesia with 3 cellular operators via mobile phones such as Telkomsel, Indosat Ooredoo, and XL Axiata are described as follows:



Source: [www.databoks.katadata.co.id](http://www.databoks.katadata.co.id)  
Figure 1. Number of Subscribers of the Three Largest Cellular Operators in Indonesia

PT Telekomunikasi Indonesia (Persero) Tbk had 169.2 million subscribers as of June 2021, up 5.7% from the same time the previous year, according to Figure 1.1 based on the statistics above. Telkomsel has a total of 162.48 million postpaid subscribers. The remaining 6.72 million people are prepaid

subscribers. The second ranked winner is PT Indosat Ooredoo Hutchison Tbk, which has 60.3 million subscribers as of 2021, up 5.3% from 2020. There are 1.7 million postpaid users and 58.6 million prepaid subscribers of that total. The next largest provider is PT XL Axiata Tbk which has 56.77 million

subscribers in June 2021 and increased its market share by 1.96% from June 2020. Specifically, there are 1.23 million postpaid subscribers and 55.54 million prepaid subscribers. Telkomsel reports a total profit of IDR 12.75 trillion in 2021 based on its financial results. This number increased by 0.31% from IDR 12.71 trillion in the same period last year. In its first year, Indosat posted a total profit of Rp 5.6 trillion. This figure is better than a real loss of IDR 341 billion during the period from January to June 2020. In contrast, XL Axiata in 2021 posted a net profit of IDR 715.96 billion. This amount decreased from IDR 1.74 trillion in 2020 of 58.94%.

The cellphone provider in Indonesia with the most customers as of June 2021 is PT. Cellular Telecommunications (Telkomsel). One of the fastest growing internet access platforms is Telkomsel. Telkomsel continues to try to answer new challenges in line with the development of the telecommunications sector by switching to digital companies while maintaining the quality of its communication services. The quality of the products we offer to support the digital lifestyle of customers throughout Indonesia is in line with the growth of services towards digital.

A company's ability to support customer value for the products they make better and more satisfying depends to a large extent on its ability to keep customers satisfied. As a result, companies must capitalize on consumer preferences, develop services, and monitor markets. To meet customer requirements in an effort to encourage repeat business. Since customer satisfaction is relative and can change over time, businesses must be aware of the current state of the customer in order to maintain this customer loyalty. Customer changes have a significant impact on how well a business does because even one unhappy customer can affect other potential customers.

If the performance of the product or service they receive meets their standards, the customer will be satisfied. Companies can better understand their customers' standards

by measuring customer satisfaction on a regular basis. This will make it easier to attract new customers. According to Kasmir (2012), the main objective of a company's marketing strategy is to increase the quantity and quality of its customer base. The increased quantity indicates that sometimes there is a significant increase in the number of customers. Meanwhile, quality improvement shows that the customers obtained are those who are profitable and successful. Some of the results of previous research on customer satisfaction and purchasing decisions include, in his research, Iqbal MA (2020) found that customer value has a positive and significant influence on customer satisfaction, on the other contrary ALHuwaishel and Soad (2018), perceived value has no effect on consumer choices to make purchases. The same incident occurred with a study conducted by Rosa A. et al. (2019), who showed that perceived value does not affect purchase intention. Customer service efficiency is one of the E-CRM dimensions that Nandya and Permana (2021) claim has a positive impact on customer satisfaction. Patma et al. (2021) Customer satisfaction is positively influenced by perceived customer value. Maria S et.al (2019) states that perceptions of service quality direct effect on satisfaction.

Judging from the explanation from the previous research above, there is research with the same results as previous research to actually see that there is a positive or significant influence on customer satisfaction which has an impact on purchasing decisions. So the writer took the title "The Influence of Customer Value and Service Quality on Customer Satisfaction and the Implications for Telkomsel Prepaid Card Purchasing Decisions".

## **Problem Objectives and Questions**

### **Research objective**

1. To examine whether customer value affects satisfaction
2. To examine whether customer value influences purchasing decisions

3. To examine whether service quality affects satisfaction
4. To examine whether service quality affects purchasing decisions
5. To examine whether satisfaction affects purchasing decisions
6. To examine whether customer value has an indirect effect on purchasing decisions through satisfaction
7. To examine whether service quality has a direct effect on purchasing decisions through satisfaction

Based on the description that has been stated above, the questions in this study are as follows:

1. Does customer value have a direct effect on customer satisfaction
2. Does customer value have a direct effect on purchasing decisions
3. Does service quality have a direct effect on customer satisfaction
4. Does service quality have a direct effect on purchasing decisions
5. Does customer satisfaction have a direct effect on purchasing decisions
6. Does customer value have an indirect effect on purchasing decisions through customer satisfaction
7. Does the quality of service have a direct effect on purchasing decisions through customer satisfaction

## **LITERATURE REVIEW AND HYPOTHESIS FORMULATION**

### **Customer Value**

Customer value, according to Kotler (2007) is the difference between overall customer value and total customer cost. Customer satisfaction is positively and significantly influenced by perceived customer value, according to Patma T.S., et al (2021). According to Kusumawati and Rahayu (2020), the perception of a company's value to its customers has a significant influence and has a major impact on the level of satisfaction of the company's customers, which shows that the company's value to its customers can be positive.

Pani E.L. (2019) found that customer value has a positive and significant effect on

consumer choices to buy Lion Air tickets. According to a study by Fang J et al. (2016), customer value has a positive and significant effect on repurchase intention. This finding proves that increasing perceived value can increase repurchase intention. According to ALHuwaishel and Soad (2018), perceived value has no effect on consumer choices to make purchases. The same incident occurred with a study conducted by Rosa A. et al. (2019), who showed that perceived value does not affect purchase intention.

H1: Customer value affects customer satisfaction

H2: Customer value affects purchase intention

### **Service Quality**

According to Kotler (2007) quality as a feature and general nature of products and services that affect their capacity to provide satisfaction for stated or implied customer needs. Maria S et.al (2019) states that perceived service quality has a direct effect on customer satisfaction and loyalty. Asiyanbi and Ishola's (2018) state that the level of customer satisfaction in the banking sector has increased due to using e-banking services. Al-Tawaty et al. (2017) stated that the elements in a bank to create relationships with its customers are service quality. According to Pereira D et al (2016), customer satisfaction is positively and significantly influenced by service quality. According to Ahmadi et al. (2015), service quality has a positive and significant effect on customer satisfaction.

In their study, Hasibuan et al. (2022) found that service quality has a positive and substantial impact on purchasing decisions. According to Puspita et al. (2022), service quality affects purchases directly.

H3: Service quality affects customer satisfaction

H4: Service quality affects purchase intention

### **Customer Satisfaction**

According to Kottler (2009: 139), satisfaction is an emotion of one's happiness

or dissatisfaction resulting from the evaluation of product performance observed in relation to customer expectations. Customer satisfaction according to Tjiptono (2010: 147) is a person's emotional degree following a comparison of the performance (or results) he experiences compared to his expectations. Hasibuan et al (2022) found in their research that purchasing decisions are significantly and positively influenced by customer satisfaction. Customer satisfaction has an impact on consumer purchasing decisions. (Reza et.al 2019). According to Simanjuntak and Gita (2021) customer satisfaction has a beneficial and significant influence on the decision to make a repurchase.

H5: Service quality affects purchase intention

H6: Customer value has an indirect effect on purchasing decisions through customer satisfaction

H7: Service quality has an indirect effect on purchasing decisions through customer satisfaction

### Purchase Decisions

Purchasing decisions appear after the intention or desire of the buyer (Morrison 2010). The cultural, social, psychological, and personal aspects of buyers are said to have a significant impact on their decision to buy (Febriana and Yulianto 2018). The five stages that consumers go through before making a decision/choice to buy something, as well as the steps they take after doing so, forms the consumer purchase decision process proposed by Kotler (2009: 204). The following lists the stages: 1) Identifying a problem, 2) Searching for information, 3) Evaluating alternatives, 4) Decision to buy, and 5) Action taken after purchase.

Based on the theoretical review that has been previously proposed, the research framework is depicted as follows:

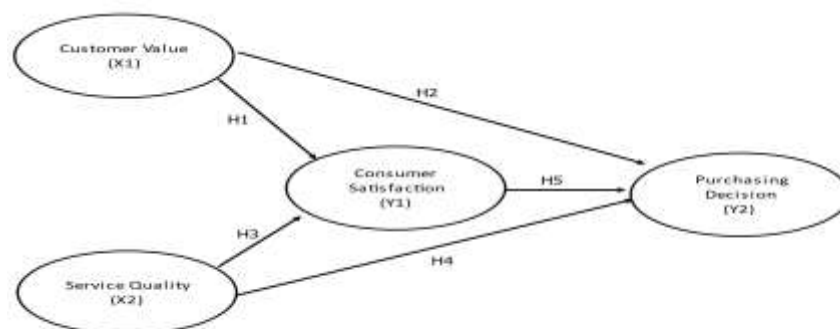


Figure 1: Research Framework

## RESEARCH METHODS

To answer the research questions, quantitative approaches are adopted. Quantitative research aims to test the research model, the significance of the relationships among the variables and factors, and the hypotheses (Saunders and Lewis, 2012). This stage consists of four activities: a pre-test survey, establishment of the research model, a confirmatory study, and data analysis (Neuman, 2006). This study was conducted at Universitas Mercu Buana and Universitas Esa Unggul Jakarta, Indonesia. Data needed in this study includes

primary data and secondary data. Primary data is data obtained directly by researcher data collection in the field and not obtained from others (Masydhuzhulhak et.al, 2015: 37) In the quantitative approach, researchers commonly implement a probability sampling technique. The population for this survey consists of all student at Universitas Mercu Buana and Universitas Esa Unggul Jakarta. A quantitative method was used, which involved administering a questionnaire to selected respondents who included students at both universities. Survey was conducted by distributing online questionnaires



containing preliminary closed-ended questions used a five-point Likert scale to 120 students. The data collected is analysed using the partial least squares structural equation modelling (PLS-SEM) version 3.2.3 computer program with two phases of analysis methods and techniques. The first is the measurement model, and the second is the structural model (Hair et al., 2014).

## RESULTS AND DISCUSSION

Respondents are students at Universitas Mercu Buana and Universitas Esa Unggul Jakarta. The questionnaire was made using on a Google form survey so that respondents could fill it out online. A total of 90 respondents returned the questionnaires. Respondents who participated in this study consisted of 37 men and 53 women, which translate to 41.1% male respondents and 58.9% female respondents. In terms of age, the respondents aged 20 to 25 years consisted of 65 people (i.e., 72,2%), respondents aged 25 to 30 years consisted of 7 people (i.e., 7.8%), respondents aged 30 to 35 years consisted of 2 people (i.e., 2.2%), and respondents aged 35> years consisted of 16 people (i.e., 17.8%). The data collected was analysed using the PLS-SEM version 3.3.2 computer program with two phases of

analysis methods or techniques: the first is the measurement model, and the second is the structural model (Hair et al., 2014).

### Result of the measurement model (confirmatory factor analysis)

In this study, the assessment of the reflective measurement models includes a loading factor to measure indicator validity, composite reliability to evaluate internal consistency, and averaged variance extracted (AVE) to evaluate convergent validity and discriminant validity (Hair et al., 2014). An AVE value of 0.50 or higher indicates that, on average, the construct explains more than half of the variance of its indicators. Conversely, an AVE of less than 0.50 indicates that, on average, more error remains in the items than the variance explained by the construct (Hair et al., 2014). Based on the results of data processing with SmartPLS in Figure 4.1 below, it can be seen that the loading factor values for each indicator meet the requirements, namely  $\geq 0.50$ . This shows the indicators on these variables are valid and used in the model. The charge of a variable factor is considered high when its value is greater than 0.5 ( $\geq 0.5$ ) (Igbaria et al., 1997).

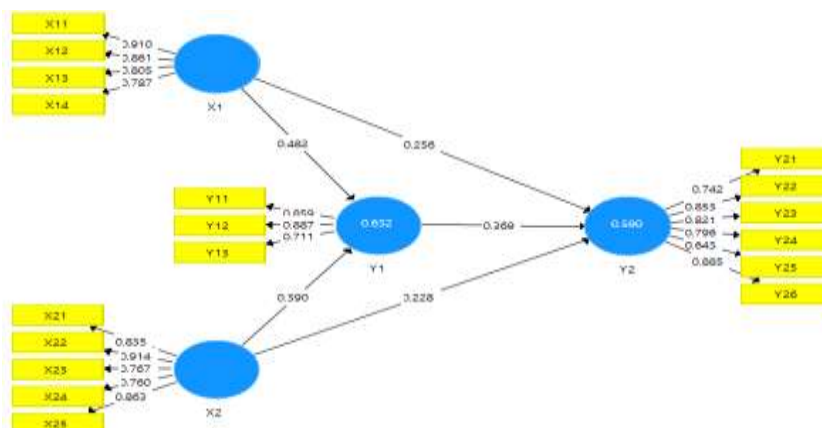


Figure 2. Evaluation of Factor Loading Value  
Source: processed by the author (2023)

### Discriminant validity test

The validity of the dimensions of each research variable can also be done by testing the discriminant validity. The test is carried out by examining the cross-loading value, namely the correlation coefficient of the

indicator to the construct compared to the correlation coefficient to other constructs. The value of the dimensional correlation coefficient must be greater for the construct than for the other constructs.

Table 1. Discriminant Validity Test

Variable	Customer value (X1)	Service quality (X2)	Customer satisfaction (Y1)	Purchasing decision (Y2)	Information
X11	0.910	0.612	0.725	0.606	Valid
X12	0.861	0.561	0.600	0.595	Valid
X13	0.805	0.566	0.523	0.549	Valid
X14	0.787	0.474	0.624	0.536	Valid
X21	0.513	0.835	0.571	0.534	Valid
X22	0.650	0.914	0.616	0.611	Valid
X23	0.442	0.767	0.639	0.562	Valid
X24	0.554	0.760	0.477	0.495	Valid
X25	0.570	0.863	0.613	0.515	Valid
Y11	0.675	0.683	0.859	0.553	Valid
Y12	0.658	0.631	0.887	0.592	Valid
Y13	0.475	0.410	0.711	0.642	Valid
Y21	0.463	0.462	0.590	0.742	Valid
Y22	0.523	0.576	0.681	0.853	Valid
Y23	0.412	0.486	0.531	0.821	Valid
Y24	0.674	0.558	0.521	0.796	Valid
Y25	0.381	0.279	0.295	0.643	Valid
Y26	0.697	0.664	0.698	0.885	Valid

Source: Results of analysis using SmartPLS 3.2.3 (2023)

Table 2. Average Variance Extracted (AVE) Value

Research Variable	Average Variance Extracted (AVE)
Customer value (X1)	0,709
Service quality (X2)	0,689
Customer satisfaction (Y)	0,677
Purchasing decision (Y2)	0,630

Source: Results of analysis using SmartPLS 3.2.3 (2023)

Based on the test results, the AVE value of customer value was 0.709, service quality was 0.689, customer satisfaction was 0.677 and purchasing decisions were 0.630, which means that all constructs have an AVE value > 0.50. This indicates that all constructs have met the validity requirements based on Average Variance Extracted (AVE).

Testing the reliability of the measurement model is measured by looking at the value of Cronbach's alpha and composite reliability. Cronbach's alpha measures the lower limit value of the reliability of a construct, while the reliability of the composite measures the true value of the reliability of a construct.

Constructs are said to be reliable if Cronbach's alpha values greater than 0.70, while the composite reliability must be greater than 0.70. When Cronbach's alpha is higher than 0.7, this value is considered to be satisfactory (Hair et al., 2011). Based on Table 4.3, it can be stated that the measure used in this study is reliable. The composite reliability of each of the indicators is greater than 0.7.

### Reliability Test

The reliability test is a test of how the measurement instrument consistently measures whatever concept is being measured, this test is related to the stability and consistency of measurement. Reliability test was conducted to test the stability and consistency of the items studied. The reliability test consists of two tests, namely composite reliability and Cronbach's alpha.

Table 3. Composite Reliability and Cronbach's alpha Value

Variable	Composite Reliability	Cronbach's Alpha	Information
Customer value (X1)	0.907	0.862	Reliabel
Service quality (X2)	0.917	0.885	Reliabel
Customer satisfaction (Y1)	0.861	0.756	Reliabel
Purchasing decision (Y2)	0.910	0.882	Reliabel

Source: Results of analysis using SmartPLS 3.2.3 (2023)

It can be seen from table above that each variable has a composite reliability and Cronbach's Alpha value above 0.7. From these results it can be concluded that the research model is declared reliable because it meets the values of composite reliability and Cronbach's Alpha

### Determination Coefficient Test/ R Square (R<sup>2</sup>)

Evaluation of the inner model is done by looking at the coefficient of determination. The coefficient of determination aims to measure how far the model's ability to

explain the variance of endogenous latent variables. Changes in the R-Square value can be used to explain the effect of certain exogenous latent variables on endogenous latent variables whether they have a substantive effect. R-Square values 0.75, 0.50, 0.25 it can be concluded that the model is strong, moderate, and weak (Ghozali 2015).

Table 4. Determination Coefficient Test/ R Square (R<sup>2</sup>)

Variable	R Square
Customer satisfaction (Y1)	0,632
Purchasing decision (Y2)	0,590

Source: Results of analysis using SmartPLS 3.2.3 (2023)

The R Square value of the customer satisfaction variable (Y1) is 0.632. This shows that 63.2% of the customer satisfaction variable (Y1) can be moderately influenced by customer value (X1) and service quality (X2), while the remaining 36.8% is influenced by other variables outside those studied. The R Square value of the purchasing decision variable (Y2) is 0.590. This shows that 59% of the purchase decision variable (Y2) can be moderately influenced by customer value (X1), service quality (X2), and customer satisfaction (Y1), while the remaining 41% is influenced by other variables outside those studied

**Goodness of Fit Index (GoF) test**

The Goodness of Fit Index (GoF) test is used to validate the combined performance of the

measurement model (outer model) and the structural model (inner model). Calculations are performed using the AVE value derived from the four research variables (customer value, service quality, customer satisfaction and purchasing decisions) and the R2 value derived from the dependent and mediating variables (customer satisfaction and purchasing decision). The provisions for the GoF category are a small GoF value of 0.1, a medium GoF of 0.25, and a large GoF of 0.36 (Ghozali 2015)

$$GoF = \sqrt{0,67625 \times 0,611}$$

$$GoF = 0,6427$$

From the calculation results, the GoF Index value is considered large, which is equal to 0.6427, which is included in the Goodness of Fit, which is large > 0.36. This shows that the overall model is in accordance.

**Result of the structural model (structural equation modelling)**

Once we have confirmed that the construct measures are reliable and valid, the next step requires the assessment of the structural model results. In this part, we focus on how to assess the quality of the survey results by examining the structural model (Vieira, 2011).

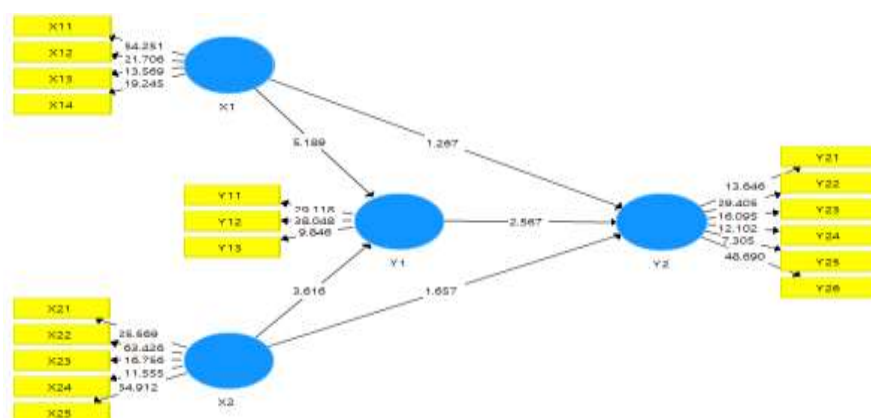


Figure 3 bootstrapping Value  
Source: processed by the author (2023)



Table 5. Path Coefficient Value

Direct effect			
Relations between construct	Original Sample (O)	T Statistics ( O/STDEV )	P Values
Customer value Customer satisfaction →	0,482	5,189	0,000
Customer value Purchasing decision →	0,256	1,267	0,206
Service quality Customer satisfaction →	0,390	3,616	0,000
Service quality Purchasing decision →	0,228	1,657	0,098
Customer satisfaction Purchasing decision →	0,369	2,567	0,000
Indirect effect			
Customer value → Customer satisfaction → Purchasing decision	0,178	1,913	0,056
Service quality → Customer satisfaction → Purchasing decision	0,144	2,256	0,025
Total effect			
Customer value → Purchasing decision	0,434	3,030	0,003
Service quality → Purchasing decision	0,372	2,682	0,008

Source: Results of analysis using SmartPLS 3.2.3 (2023)

Hypothesis 1 states that customer value has an affects the customer satisfaction. The hypothesis test results demonstrate the path between the customer value and the customer satisfaction has beta coefficient and t-statistic values of 0.482 and 5.189, respectively. This result shows that the Hypothesis 1 is supported because the t-statistic value of 5.189 > t-table value of 1.988 and it has a significant influence on the positive nature of the relationship. The results of this study are in line with the results of previous research conducted by Patma T.S., et al (2021) found that customer satisfaction is positively and significantly influenced by perceived customer value. According to Kusumawati and Rahayu (2020), the perception of a company's value to its customers has a significant influence and has a major impact on the level of satisfaction of the company's customers, which shows that the company's value to its customers can be positive.

Hypothesis 2 states that customer value has an affects the purchasing decision. The hypothesis test results demonstrate the path between the customer value and the purchasing decision has beta coefficient and t-statistic values of 0.256 and 1.267, respectively. This result shows that the Hypothesis 2 is not supported because the t-statistic value of 1.267 < t-table value of 1.988 and it has not a significant influence on the relationship. The results of this study are in line with the results of previous research conducted by ALHuwaishel and Soad (2018), perceived value has no effect on consumer choices to make purchases. The same incident occurred with a study conducted by Rosa A. et al. (2019), who

showed that perceived value does not affect purchase intention.

Hypothesis 3 states that service quality has an affects customer satisfaction. The hypothesis test results demonstrate the path between the service quality and the customer satisfaction has beta coefficient and t-statistic values of 0.390 and 3.616 respectively. This result shows that the Hypothesis 3 is supported because the t-statistic value of 3.616 > t-table value of 1.988 and it has a significant influence on the positive nature of the relationship. The results of this study are in line with the results of previous research conducted by Maria S et.al (2019) states that perceived service quality has a direct effect on customer satisfaction. Asiyanbi and Ishola's (2018) state that the level of customer satisfaction in the banking sector has increased due to using e-banking services. Al-Tawaty et al. (2017) stated that the elements in a bank to create relationships with its customers are service quality

Hypothesis 4 states that service quality has an affects the purchasing decision. The hypothesis test results demonstrate the path between the service quality and the purchasing decision has beta coefficient and t-statistic values of 0.228 and 1.657, respectively. This result shows that the Hypothesis 4 is not supported because the t-statistic value of 1.657 < t-table value of 1.988 and it has not a significant influence of the relationship.

Hypothesis 5 states that Customer satisfaction has an affects the purchasing decision. The hypothesis test results demonstrate the path between the customer satisfaction and the purchasing decision has

beta coefficient and t-statistic values of 0.369 and 2.567, respectively. This result shows that the Hypothesis 5 is supported because the t-statistic value of  $2.567 > t$ -table value of 1.988 and it has a significant influence on the positive nature of the relationship. The results of this study are in line with the results of previous research conducted by Hasibuan et al (2022) found in their research that purchasing decisions are significantly and positively influenced by customer satisfaction. Customer satisfaction has an impact on consumer purchasing decisions (Reza et.al 2019).

Hypothesis 6 states that customer value has an affects the purchasing decision through consumer satisfaction. The hypothesis test results demonstrate the path between the customer value and the purchasing decision through consumer satisfaction has beta coefficient and t-statistic values of 0.178 and 1.913 respectively. This result shows that the Hypothesis 6 is not supported because the t-statistic value of  $1.913 < t$ -table value of 1.988 and it has not a significant influence of the relationship.

Hypothesis 7 states that service quality has an affects the purchasing decision through consumer service. The hypothesis test results demonstrate the path between the service quality and the purchasing decision through consumer service has beta coefficient and t-statistic values of 0.144 and 2.256 respectively. This result shows that the Hypothesis 7 is supported because the t-statistic value of  $2.256 > t$ -table value of 1.988 and it has a significant influence on the positive nature of the relationship.

### **The total influence of brand image on buying decisions**

The direct influence of the customer value variable on purchasing decisions is 0.256 and the indirect effect of customer value on purchasing decisions through customer satisfaction is 0.178 so that the total influence of customer value on purchasing decisions is 0.434. This means that customer satisfaction greatly strengthens the customer value on purchasing decisions.

### **Effect of total product quality on purchasing decisions**

The direct influence of the service quality variable on purchasing decisions is 0.228 and the indirect effect of service quality on purchasing decisions through customer satisfaction is 0.144 so that the total influence of customer value on purchasing decisions is 0.372. This means that customer satisfaction greatly strengthens the customer value on purchasing decisions.

### **CONCLUSION**

The results showed that the factor that most influences the customer satisfaction is the customer value. The indicator that has influence on customer value is the customer convenience, thus, the company must be able to meet customer expectations by continuing to maintains and develop customer convenience so that the good customer value can be maintained and improved.

The results showed that the factor that variable that influences the customer satisfaction is the service quality. The indicator that has influence on customer value is the customer keep warranty, thus, the company must be able to meet customer expectations by continuing to maintains and develop keep warranty so that the good service quality can be maintained and improved.

The results showed that the factor that variable that influences the purchasing decision is the customer satisfaction. The indicator that has influence on customer satisfaction is the customer complain and customer information, thus, the company must be able to meet customer expectations by continuing to maintains and develop customer complain and customer information so that the good service quality can be maintained and improved.

The results of this study indicate that that customer value has an affects customer satisfaction. The results of this study are in line with the results of previous research conducted by Patma T.S., et al (2021) found that customer satisfaction is positively and significantly influenced by perceived

customer value. According to Kusumawati and Rahayu (2020), the perception of a company's value to its customers has a significant influence and has a major impact on the level of satisfaction of the company's customers, which shows that the company's value to its customers can be positive.

The results of this study indicate that that service quality has an affects customer satisfaction. The results of this study are in line with the results of previous research by Maria S et.al (2019) states that perceived service quality has a direct effect on customer satisfaction. Asiyandi and Ishola's (2018) state that the level of customer satisfaction in the banking sector has increased due to using e-banking services. Al-Tawaty et al. (2017) stated that the elements in a bank to create relationships with its customers are service quality.

The results of this study indicate that that service quality has an affect purchasing decision. The results of this study are in line with the results of previous research by Hasibuan et al (2022) found in their research that purchasing decisions are significantly and positively influenced by customer satisfaction. Customer satisfaction has an impact on consumer purchasing decisions (Reza et.al 2019).

For future researchers who wish to conduct similar research, it is advisable to use variables other than customer value, service quality, and customer satisfaction that can influence purchasing decisions. Because it is known that the results of this study there are still variables with insignificant results so that it can be used as a research gap for further research by adding other mediating variables that are able to explain purchasing decision variables such as trust and many other variables that can be used. Future researchers can also expand the scope of research not only for telkomsel prepaid card but also for the cellular industry as a whole.

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