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# The Role of Customer Satisfaction in Mediating the Influence of Service Quality on Repurchase Intention (Study on Online Customers of Bali Travel Agent Panca Hanasta Tours in Bali)

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Abstract: Tourism activities in Indonesia are activities that can make a big contribution to the country. One form of contribution to increasing tourism is the activity of Online Travel Agents. Bali Panca Hanasta Tours is one of the Online Travel Agents in Bali that prioritizes the quality of service to encourage consumer repurchase intentions. The quality of service presented is expected to be able to provide a sense of satisfaction to customers by paying attention to customer needs and desires in order to be able to increase consumer repurchase intentions for the services provided. This study aims to understand the effect of service quality on repurchase intentions and the role of customer satisfaction as a mediating variable on online travel agent customers of Bali Panca Hanasta Tours in Bali. This study involved 100 respondents of Bali Panca Hanasta Tours customers. The data collection method was carried out through an online questionnaire, and data analysis using path analysis. The results of this study indicate that service quality has a positive and significant effect on repurchase intentions, and customer satisfaction successfully partially mediates the effect of service quality on repurchase intentions. The implications of the results of this study theoretically can be a reference for other researchers who want to study service quality, customer satisfaction, and repurchase intentions. In practice, it is expected to be a consideration and input for marketers and business actors in maximizing service quality and customer satisfaction as an effective and sustainable marketing strategy to increase repurchase intentions.

Keywords: Service Quality, Customer Satisfaction, Repurchase Intention

### 1. INTRODUCTION

Tourism activities in Indonesia are a reliable sector because they can increase the country's foreign exchange. The more tourists who buy products in Indonesia, the higher the profits obtained by the country. There are many tourist destinations in Indonesia, one of which is very well known, namely Bali. Not only is it a target for local tourists, Bali is also a target destination for foreign tourists.

Based on this information, it can be said that Bali is very famous for its tourism. In line with the statement made by Ramadhani et al. (2024) that Bali consistently receives positive feedback from tourists, especially related to its natural attractions which are the main attraction. It can be interpreted that Bali has its own appeal for tourists who choose to visit it.

The tourism sector is one of the contributors to economic growth in Bali. The existence of the tourism industry such as hotels, restaurants and the provision of travel services is a business activity that deserves attention. With these activities, Bali is able to improve its regional economy and improve the economy of the surrounding community living in Bali. The Received: October 10, 2024; Revised: October 25, 2024; Accepted: November 09, 2024; Online Available:

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tourism industry is a promising business for both the local government and the local community. However, Bali has experienced an economic downturn due to the Covid-19 pandemic which caused domestic tourist visits to drop by 56.41 percent or as much as 4,596,157 (Bali Central Statistics Agency, 2020).

However, Bali can rise again after the covid-19 pandemic or can be called the new normal era. The development of tourism activities in Bali began to rise from the slump because the government slowly began to open tourism activities in Bali. This development is shown in the following table.

**Table 1.** Domestic Tourist Visits to Bali per Month, 2021-2023

Month	2021	2022	2023
January	282,248	527,447	720,164
February	240,608	389,690	629,282
March	305,579	547,726	665,751
April	330,593	500,740	900,880
May	363,959	960,692	943,713
June	498,852	753,907	883,793
July	166,718	784.205	898,260
August	202.187	659,567	712,860
September	298,950	622,068	755.293
October	468,826	718,066	813,745
November	513,482	657,949	749,268
December	629,590	930.917	1,204,902
Bali	4,301,592	8,052,974	9,877,911
Growth	-6.41	87.21	22.66

Source: Central Statistics Agency of Bali Province, 2023 (Data processed, 2024)

Based on Table 1, there was an increase in the number of domestic tourist visits to Bali in the previous year, namely with a total of 4,301,592 people in 2021, then increased quite rapidly by 87.21 percent in 2022 with a total of 8,052,974 people and there was a slight increase of 22.66 percent in 2023 with a total of 9,877,911 people. This is an opportunity for the revival of the tourism sector in Bali.

The increasing number of tourist visits to Bali certainly provides great opportunities for the region and the surrounding community. According to Nisa et al. (2023) Business opportunities are defined as certain opportunities that can be utilized to conduct or build a business. So of course we need to develop the right ideas and strategies to take advantage of this momentum. In maximizing the existing potential, we see at this time that the use of technology needs to be done because along with the times we must be able to adapt, especially after the recovery from Covid-19. Daily human activities and business activities have now

shifted towards digitalization, in utilizing business activities one of which is by marketing via the internet or applications, this is one of the right uses of strategies in today's era.

In maximizing technology in the tourism business sector, one form is an online travel agent. Online Travel Agent is an agent that promotes and sells travel services online, connecting consumers with tourism service providers. OTA allows users to access various information and make reservations easily and quickly. OTA plays an important role in facilitating the booking and distribution of tourism services through websites managed by the agent (Sugiharto, 2022 in Frisiska, 2023). The travel agent business is one of the businesses that has high potential.

**Table 2.** Indonesian OTA Market Share in Q4 2022 and Q1 2023

	<u>-</u>	Ye	ear
No	PlatformOTA	2022 (Q4) (%)	2023 (Q1) (%)
1	Traveloka	54.1	30.4
2	Agoda	25.9	43.6
3	Booking.com	15.2	20.8
4	Other	4.8	5.2

Source: Groundhog (2023)

Based on Table 2, the OTA market in Indonesia has been dominated by Traveloka, Agoda, and Booking.com for the past few years. In analyzing active users for the fourth quarter of 2022 on the Traveloka platform, it experienced a market share of 54.1 percent, but in the first quarter of 2023 it experienced a decline of 23.7 percent with a market share of 30.4 percent. An OTA platform that has a large market share illustrates success in dominating market share. Table 1 also explains that Traveloka experienced a decline in market share, indicating that customers have low interest in using Traveloka services in the future and will be more likely to choose other OTA platforms.

Bali Panca Hanasta Tours is a service company engaged in the field of tourism. This company provides transportation services that mobilize customers from the airport to the destination hotel and tour services to tourist areas in Bali. Bali Panca Hanasta Tours uses Traveloka as an intermediary for online travel agents to customers, so this online travel agent helps Bali Panca Hanasta Tours in getting customers. To get customers, Bali Panca Hanasta Tours needs to prepare a marketing strategy to maximize existing business opportunities.

Bali Panca Hanasta has several low ratings and reviews, this shows that ratings and reviews on online travel agent (OTA) platforms have a crucial role for companies, because both are direct benchmarks of consumer satisfaction and experience. Positive reviews and high ratings not only increase potential customers' trust in the company, but also provide a better

quality image, which has the potential to increase the number of bookings. Conversely, negative reviews or low ratings can reduce trust and result in a decrease in consumer repurchase intentions. These ratings and reviews also serve as a source of data that can help companies understand the strengths and weaknesses of their services, so they can make appropriate improvements. Given the significant impact of these ratings and reviews, making them the subject of research is a relevant step to analyze how these aspects affect consumer repurchase intentions and loyalty to Bali Panca Hanasta Tours.

Each company certainly has its own strategy to maintain its company. As done by Bali Panca Hanasta Tours by emphasizing service quality and customer satisfaction as the main goal so that it creates repeat purchases of Bali Panca Hanasta Tours services. One of the main ways to maintain a company is to provide services with higher service quality than competitors consistently and meet customer expectations. If the perceived service quality is lower than expected, customers will become uninterested in the service provider, but if the opposite happens, there is a possibility that customers will continue to use the service provider again. The perceived service quality is very important for the success of the organization because it is directly related to customer satisfaction and behavioral intentions. Companies must provide superior service to achieve a high level of customer satisfaction (Puspani et al., 2020).

Service quality is all forms of activities carried out by the company to fulfill consumer desires that must be carried out with a sense of care, honesty, willingness to serve, consistency, and in accordance with reality, in order to create good service quality (Putra & Suparna, 2020). Customers in general will determine and provide assessments regarding the nature and characteristics of service quality in meeting their needs or desires (Murwanti & Pratiwi, 2017).

Reported from an article by Wenzi (2021), he identified five important trends that influence online consumer behavior, one of which is convenience as a top priority. Consumers now value ease of shopping, seamless access between devices, and omnichannel shopping experiences. His research shows that 76% of consumers rate convenience quality as one of their top priorities in online shopping. Good service quality can affect consumer experience and form habits in using OTA. Service quality is one of the factors that can influence purchasing decisions and consumer loyalty (Diah, 2015).

Theoretically, Setyorini et al. (2022) explained that service quality is one of the determining factors in the level of repurchase intention. Service quality can influence repurchase intention. Several researchers such as Sofiah et al. (2023); Salsabila et al. (2022); and Jaber et al. (2021) have studied this relationship and found that service quality has a positive and significant effect on repurchase intention. However, this is different from the

research conducted by Widanti et al. (2022) which states that service quality does not have a significant effect on repurchase intention.

Empirical studies show inconsistent results regarding the effect of service quality on repurchase intention. Therefore, other variables are needed that are thought to be able to mediate the effect of service quality on repurchase intention. There are several variables that can mediate the effect of service quality on repurchase intention such as; price perception, trust, and customer satisfaction. One aspect of consumer behavior that can influence consumer behavior to make repeat purchases of goods or services in the future is the satisfaction felt by consumers (Prabawa et al., 2019). This is because improvements in service quality and customer satisfaction will have a psychological impact on consumers to make repeat purchases in the future. Customer satisfaction, in addition to playing a role as a variable that influences repurchase decisions, also acts as a variable that mediates between service quality and repurchase intention. This is supported by previous research conducted by Law et al. (2024) regarding the effect of service quality on repurchase intention of gacoan noodles in Yogyakarta through consumer satisfaction as a mediating variable shows that customer satisfaction acts as a significant mediating variable in providing an influence between the effect of service quality on repurchase intention. Based on the quality of service provided, an online travel agent service can increase its sales because it is closely related to customer satisfaction and repurchase intentions from consumers. According to Ratri & Hidayat (2020), the desire to repurchase will arise when customers feel that what they receive is in accordance with what they expect, in other words, it can provide satisfaction for customers. If customers are satisfied with their first purchase, then in their next purchase they will tend to choose the same brand.

A pre-survey was conducted on Bali Panca Hanasta Tours consumers involving 20 respondents in order to explore the role of customer satisfaction as a mediator between the influence of service quality on repurchase intention.

Table 3. Pre-Survey Results in Bali

No	Question	Answer Respondents (person)			Percentage (%)	
		Yes	No	Total	Yes	No
1	Do you find it easy to place orders through the Bali Panca Hanasta platform?	13	7	20	65	35
2	Do you think the quality of service from Bali Panca Hanasta meets your expectations?	11	9	20	55	45

3	Are you satisfied with the services	12	8	20	60	40
	provided by Bali Panca Hanasta?					
4	Is Bali Panca Hanasta customer	11	9	20	55	45
	service responsive and helpful?					
5	Do you intend to choose Bali Panca	9	11	20	45	55
	Hanasta services again?					

Source: Processed data, 2024

Based on Table 3, it can be seen that as many as 65 percent of respondents found it easy when making reservations through the Bali Panca Hanasta Tours platform. Then, 55 percent of respondents felt that the quality of service from Bali Panca Hanasta Tours was in accordance with their expectations. Then, 60 percent of respondents were satisfied with the services provided by Bali Panca Hanasta Tours. Then, 55 percent of respondents felt that the customer service from Bali Panca Hanasta Tours was responsive and helpful. However, 45 percent of respondents intended to choose Bali Panca Hanasta Tours services again. This shows that there is a problem that occurs in the repurchase intention of Bali Panca Hanasta Tours consumers. This pre-survey explanation is also in line with interviews conducted by researchers with company owners where the repurchase intention of consumers has begun to decline in their companies.

Based on the background that has been described, a study will be conducted that aims to determine the phenomenon regarding "The Influence of Customer Satisfaction Mediating the Influence of Service Quality on Repurchase Intention (Study on Online Travel Agent Bali Panca Hanasta Tours customers in Bali)".

### 2. RESEARCH METHODS

This study was conducted using an associative quantitative approach. A quantitative approach is a research approach used to examine a specific population or sample with the aim of testing a predetermined hypothesis. Associative research is research that aims to determine the relationship between two or more variables (Sugiyono, 2019). This research design is used because this study will discuss and test the relationship between customer satisfaction variables, service quality and repurchase intentions, especially in the community (consumers) in Bali. This study involved 100 respondents of Bali Panca Hanasta Tours customers.

In this study, the sampling method used is non-probability sampling, a sampling technique that does not provide equal opportunities or chances for each element, member of the population to be selected as a sample. The non-probability sampling technique used in this study is purposive sampling, a sampling technique with certain considerations or criteria.

The data collection method used in this study is a survey method using a questionnaire. Questions related to research such as self-identity, age, and questions related to research variables. Data collection will be carried out by distributing questionnaires in the form of a google form to tourists who are on vacation in Bali using the services of Bali Panca Hanasta Tours. The measurement scale used in this study is the Likert scale. This scale measures a person's opinions and perceptions about social events or symptoms (Sugiyono, 2019: 159). The answers to each question have their own scores starting from strongly agree to strongly disagree. Each statement is given a score to facilitate the calculation for this study. The researcher provided five alternative answers to respondents using a scale of 1 to 5 for quantitative analysis purposes.

### 3. RESULTS AND DISCUSSION

### **Classical Assumption Test Results**

The classical assumption test aims to determine and test the feasibility of the regression model used in this study. The results of the classical assumption test conducted in this study are the normality test, multicollinearity test, and heteroscedasticity test.

### a. Normality Test

**Table 4.** Results of Model 1 Normality Test

	<b>Unstandardized Residual</b>
N	100
Test Statistics	0.077
Asymp. Sig, (2-tailed)	0.150

Source: Processed data, 2024 (Appendix 8)

The results of the normality test in Table 4 show that the value of Asymp.Sig. (2-tailed) is 0.150, which indicates that the regression equation of model 1 is normally distributed and passes the normality test because the value of Asymp.Sig. (2-tailed) is greater than 0.05.

**Table 5.** Results of Model 2 Normality Test

	<b>Unstandardized Residual</b>
N	100
Test Statistics	0.068
Asymp. Sig, (2-tailed)	0.200

Source: Processed data, 2024 (Appendix 8)

The results of the normality test in Table 5 show that the value of Asymp.Sig. (2-tailed) is 0.200, which indicates that the regression equation of model 2 is normally distributed and passes the normality test because the value of Asymp.Sig. (2-tailed) is greater than 0.05.

### b. Multicollinearity Test

Table 6. Results of Multicollinearity Test for Model 1

Variables	Tolerance	VIF
Quality of Service (X)	1,000	1,000
		#: O.

*Source: Processed data, 2024 (Appendix 8)* 

The results of the multicollinearity test in Table 6 show the VIF and tolerance values of the service quality variable. Based on the test results, the VIF value of 1.000 is smaller than 10.00 and the tolerance value of 1.000 is greater than 0.10, which means that the regression equation of model 1 is free from multicollinearity symptoms.

**Table 7.** Multicollinearity Test Results for Model 2

Variables	Tolerance	VIF
Quality of Service (X)	0.543	1,843
Customer Satisfaction		
(M)	0.543	1,843

Source: Processed data, 2024 (Appendix 8)

The results of the multicollinearity test in Table 7 show the VIF and tolerance values of the service quality and customer satisfaction variables. Based on the test results, each variable has a VIF value of 1.843, which is smaller than 10.00 and a tolerance value of 0.543, which is greater than 0.10, which means that the regression equation of model 2 is free from multicollinearity symptoms.

### c. Heteroscedasticity Test

Table 8. Heteroscedasticity Results of Model 1

Variables	Unstandardized Residual Sig. (2-tailed)	Conclusion
Quality of Service (X)	0.549	There are no symptoms of heteroscedasticity

Source: Processed data, 2024 (Appendix 9)

The results of the heteroscedasticity test in Table 8 show a significance value of the Service Quality variable of 0.549. This value is greater than 0.05, which means that there is no influence between the independent variables (service quality) on the absolute value of the residual, in other words, the residual variance tends to be constant and is not affected by the value of service quality. This shows that model 1 does not experience symptoms of heteroscedasticity.

**Table 9.** Heteroscedasticity Results of Model 2

Variables	Unstandardized Residual Sig. (2-tailed)	Conclusion
Quality of Service (X)	0.954	There are no symptoms of heteroscedasticity
Customer Satisfaction (M)	0.839	There are no symptoms of heteroscedasticity

*Source: Processed data, 2024 (Appendix 9)* 

The results of the heteroscedasticity test in Table 9 show a significance value of the service quality variable of 0.954 and the customer satisfaction variable of 0.839. The significance value of the service quality variable is greater than 0.05, which indicates that there is no significant relationship between the independent variable (service quality) and the absolute value of the residual, in other words, the residual variance tends to be constant and is not affected by the service quality value. Meanwhile, the significance value of the customer satisfaction variable is greater than 0.05, which indicates that there is no significant relationship between the independent variable (customer satisfaction) and the absolute value of the residual, in other words, the residual variance tends to be constant and is not affected by the customer satisfaction value. This shows that model 2 does not experience symptoms of heteroscedasticity.

## **Inferential Statistical Analysis Results**

### a. Path Analysis

This study uses path analysis techniques which are a form of multivariate analysis. Path analysis is used to analyze the pattern of relationships between variables with the aim of determining the direct or indirect influence of a set of independent variables on the dependent variable. The following are the results of path analysis which in the calculation uses the SPSS version 27 program.

- 1) Formulating hypotheses and structural equations
  - a) The service quality variable (X) influences the customer satisfaction variable (M).
  - b) Customer satisfaction variable (M) influences the purchasing decision variable (Y).
  - c) The service quality variable (X) influences the purchasing decision variable (Y).
  - d) The service quality variable (X) influences the purchasing decision variable (Y) through the customer satisfaction variable (M).

Based on the hypothesis that has been formulated, the substructural equation 1 can be formulated as follows.

$$M = \beta 2X + e1$$

The following are the results of processing and calculating the structural equation formulation of model one which are presented in Table 10.

**Table 10.** Results of Sub-structural Path Analysis 1

Madal	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Model	В	Std. Error	Beta		
(Constant)	4,675	0.707		6,610	0,000
Quality of Service	0.458	0.049	0.685	9,297	0,000
R Square	: 0.469				
F Statistics	: 86,426				
Sig. F	: 0.000				

Source: Processed data, 2024 (attachment 10)

Based on the results of the path analysis presented in Table 10, the following equation can be formulated.

 $M = \beta 2X + e1$ 

M = 0.685X

Table 10 presents the results of data processing which show a coefficient F value of 86.426 with a significance of 0.000 < 0.05, which means that the equation is valid or appropriate to explain the influence of service quality variables on customer satisfaction variables.

The regression coefficient value of the service quality variable is positive, which is 0.685, meaning that if the service quality increases, customer satisfaction will increase by 0.685. A significance value of less than 0.05 indicates that the service quality variable has a significant positive effect on customer satisfaction. A constant value of 4.675 means that if the service quality value is equal to zero, the customer satisfaction value is also 4.675. The magnitude of the influence of the independent variable on the dependent variable indicated by the total determination value (R square) of 0.469 means that the researcher is able to reveal the influence of service quality on customer satisfaction by 46.9 percent, while the remaining 53.1 percent is influenced by other variables not included in this research model.

Meanwhile, the substructural equation 2 can be formulated as follows.

$$Y = \beta 1X + \beta 3M + e2$$

**Table 11.** Results of Sub-structural Path Analysis 2

Model	Unstanda Coeffic		Standardize d Coefficients	T	Sig.
	В	Std. Error	Beta		
(Constant)	0.228	1,164		0.196	0.845
Quality of Service	0.818	0.093	0.639	8,833	0,000
Customer satisfaction	0.533	0.138	0.279	3,856	0,000
R Square	: 0.730				
F Statistics	: 131,286				
Sig. F	: 0.000				

Source: Processed data, 2024 (Appendix 10)

Based on the results of the path analysis presented in Table 11, the following equation can be formulated.

$$Y = \beta 1X + \beta 3M + e2$$

$$Y = 0.639X + 0.279M$$

Table 11 presents the results of data processing which show the F coefficient value of 131.286 with a significance of 0.000 < 0.05, which means that the equation is valid or appropriate to explain the influence of service quality variables and customer satisfaction variables on repurchase intention variables.

The regression coefficient value of each independent variable is positive, namely the service quality variable has a coefficient value of 0.639, meaning that if the service quality increases, the repurchase intention will increase by 0.639. The customer satisfaction variable has a coefficient value of 0.279, meaning that if customer satisfaction increases, the repurchase intention will increase by 0.279. The significance value of each independent variable, which is less than 0.05, indicates that the service quality and customer satisfaction variables have a significant positive effect on repurchase intention. The constant value of 0.228 means that if the service quality and customer satisfaction values are equal to zero, the repurchase intention value is also 0.228. The magnitude of the influence of the independent variables on the dependent variable indicated by the total determination value (R square) of 0.730 means that the researcher is able to reveal the influence of service quality and customer satisfaction on repurchase intention by 73 percent, while the remaining 27 percent is influenced by other variables not included in this research model.

### 2) Path coefficient diagram form

### a) Direct effect

Direct influence occurs when a variable influences another variable without any mediating variable.

- The influence of the service quality variable (X) on repurchase intention (Y) is 0.639.
- The influence of the service quality variable (X) on customer satisfaction (M) is 0.685.
- The influence of the customer satisfaction variable (M) on repurchase intention (Y) is 0.279.

### b) Indirect effect

The indirect effect of the service quality variable (X) on repurchase intention (Y) with customer satisfaction (M) as a mediating variable is formulated as follows.

Indirect influence = 
$$(\beta_2 x \beta_3)$$
  
=  $(0.685x0.279)$ 

= 0.191

### c) Total effect

The total influence of service quality variables (X) on repurchase intentions (Y) with customer satisfaction (M) as a mediator variable is formulated as follows.

Total influence =
$$\beta_1$$
+ ( $\beta_2 x \beta_3$ )  
= 0.639 + (0.685 $x$ 0.279)  
= 0.639 + 0.191  
= 0.83

3) Testing the value of the coefficient of determination (R2) and the error variable (e)

This test can show the value of each determination coefficient for substructure 1 and substructure 2 as well as the value of each error variable in each structure with the aim of compiling the following final path diagram model which is the result of calculating the value of the error variable in each structure.

$$ei = \sqrt{1 - R\frac{2}{i}}$$

$$e_1 = \sqrt{1 - R\frac{2}{i}}ei = 0.728\sqrt{1 - 0.469}$$

$$e_2 = \sqrt{1 - R\frac{2}{i}}ei = 0.519\sqrt{1 - 0.730}$$

In the calculation results the influence of error (ei) above, the results of the influence of the error  $(e_1)$  of 0.698 and the effect of error  $(e_2)$  is 0.542, then the total determination coefficient can be calculated as follows.

$$R = \frac{2}{m}1 - (e_1)2 (e_2)2$$

$$R = \frac{2}{m}1 - (0.728)2 (0.519)2$$

$$R = \frac{2}{m}1 - (0.529)(0.269)$$

$$R = \frac{2}{m}1 - 0.1423$$

 $R = \frac{2}{m}0.857 \approx 0.85$ 

Based on the calculation results above, a total determination coefficient of 0.85 was obtained, which means that 85 percent of the repurchase intention variable is influenced by service quality and customer satisfaction, while the remaining 15 percent is influenced by other factors not included in the model.

The magnitude of the influence of service quality on customer satisfaction and repurchase intention, as well as the magnitude of the influence of customer satisfaction variables on repurchase intention, each of which is obtained from the standardized Beta coefficients and the magnitude of each error variable from each structural equation.

4) Calculating path coefficients simultaneously

Formulated into the following hypothesis.

H0: Service quality and customer satisfaction have no effect simultaneously on repurchase intentions.

H1: Service quality and customer satisfaction have a significant effect simultaneously to repurchase intention.

The results of the sig. F sub-structural test 2 with a probability value of 0.000 smaller than the significant value of 0.05 indicate that H0 is rejected and H1 is accepted so that it can be concluded that the service quality variable and customer satisfaction variable have a simultaneous effect on repurchase intention.

5) Calculating path coefficients individually

The test of the influence of the service quality variable on the repurchase intention variable is formulated into the following hypothesis.

H0: Service quality does not have a positive and significant effect on repurchase intentions.

H1: Service quality has a positive and significant influence on repurchase intentions.

Based on the results of the SSPS calculation, the probability value of sig. t of 0.000 is smaller than the significance value of 0.05 and the beta value of the standardized coefficients is 0.639 which indicates a positive direction. These results indicate that service quality has a positive and significant effect on repurchase intentions, which means that H0 is rejected and H1 is accepted.

The test of the influence of service quality variables on customer satisfaction variables is formulated into the following hypothesis.

- H0: Service quality does not have a positive and significant effect towards customer satisfaction.
- H2: Service quality has a positive and significant influence towards customer satisfaction

Based on the results of SPSS calculations, the probability value of sig. t of 0.000 is smaller than the significance value of 0.05 and the beta value of the standardized coefficients is 0.685 which indicates a positive direction. These results indicate that service quality has a positive and significant effect on customer satisfaction, which means that H0 is rejected and H2 is accepted.

The test of the influence of customer satisfaction variables on repurchase intention variables is formulated into the following hypothesis.

- H0: Customer satisfaction does not have a positive and significant effect on repurchase intentions.
- H3: Customer satisfaction has a positive and significant influence on repurchase intentions.

Based on the results of SPSS calculations, the probability value of sig. t of 0.021 is smaller than the significance value of 0.05 and the beta value of the standardized coefficients is 0.279 which indicates a positive direction. These results indicate that customer satisfaction has a positive and significant effect on repurchase intentions, which means that H0 is rejected and H3 is accepted.

### 6) Summarize and conclude

**Table 12.** Results of Calculation of Direct Influence, Indirect Influence, and Total Influence

Influence of variables	Direct influence	Indirect influence through M	Total Influence
$X \rightarrow M$	0.639	0.191	0.83
$M \rightarrow Y$	0.685	-	0.685
$X \rightarrow Y$	0.639	0.191	0.83

Source: Processed primary data, 2024

The calculation results in Table 12 show that the direct effect of the service quality variable on the repurchase intention variable is 0.698. The direct effect of the service quality variable on the customer satisfaction variable is 0.639. The direct effect of the customer satisfaction variable on the repurchase intention variable is 0.685. This indicates that the service quality variable has a greater effect on the repurchase intention variable than the customer satisfaction variable. Meanwhile, the indirect effect of the service quality variable on the repurchase intention variable through the customer satisfaction variable is 0.279 and the total effect of the service quality variable on the repurchase intention variable through the customer satisfaction variable is 0.83. So it can be concluded that the total effect of the service quality variable on the repurchase intention variable through the customer satisfaction variable is greater than the direct effect of the service quality variable on the repurchase intention variable without going through the customer satisfaction variable.

### **Sobel Test**

The Sobel test is used to test the strength of the indirect influence of the service quality variable (X) on repurchase intention (Y) through customer satisfaction (M) by multiplying the path coefficient of X to M (a) by the path coefficient of M to Y (b) or ab. The standard error of the coefficients a and b are written as Sa and Sb, the magnitude of the indirect standard error (indirect effect) is written as Sab. The steps in the Sobel test are as follows.

### a. Hypothesis Formulation

- H0: Customer satisfaction is not able to mediate the influence of variables service quality towards repurchase intention
- H4: Customer satisfaction is able to mediate the influence of quality variables service for repeat purchase intention

### b. Testing Criteria

At a real level of alpha 0.05, the testing criteria used are as follows.

- a) Z count  $\leq$  z table (1.96) then H0 is rejected which means customer satisfaction is not a mediating variable.
- b) Z count > z table (1.96) then H0 is rejected which means customer satisfaction is a mediating variable.
- c. Calculating the value Sab and on the test indicator
  - a) The indirect standard error (indirect effect) or Sab, is calculated using the following formula.

$$Sat = \sqrt{b^2 S_a^2 + a^2 S_b^2 + S_a^2 S_b^2}$$

$$= \sqrt{(0,533)^2 (0,049)^2 + (0,458)^2 (0,138)^2 + (0,049)^2 (0,138)^2}$$

$$= 0.003$$

b) To test the significance of the indirect effect, the z value of the ab coefficient is calculated using the following formula.

$$Z = \frac{ab}{Sab}$$

$$= \frac{(0.458)(0.533)}{0.003}$$

$$= 81.37 \frac{0.244}{0.003}$$

#### d. Conclusion

Based on the calculation of the Sobel test above, the results show that the z value of 81.37 is greater than 1.96 with a significance level of 0.000 less than 0.05. These results indicate that the consumer trust variable significantly mediates the effect of live streaming shopping on purchasing decisions, which means that H0 is rejected and H4 is accepted.

### **VAF Test**

The Variance Accounted For (VAF) test is a measure of how much the mediating variable is able to absorb direct influence. The VAF test is a test used to calculate the correlation of the path coefficient value compared to the total path coefficient value. If the VAF value is above 80 percent, it indicates the role of the mediating variable as a full mediation. The mediating variable is categorized as a partial mediator if the VAF value ranges from 20 percent to 80 percent, but if the VAF value is less than 20 percent, it can be concluded that there is almost no mediation effect (Sholihin and Rattnono, 2021: 82).

The following is a calculation using the formula in the VAF (Variance Accounted For) test.

$$VAF = \frac{Indirect Influence}{Direct Influence+Indirect Influence} x 100\%$$

$$= \frac{0,268}{0,261+0,268}$$

$$= \frac{0,191}{0,83}$$

$$= 0.2301 (23.01\%)$$

The calculation results above show a VAF value of 0.2301 or 23.01 percent, which means the VAF value ranges from 20 percent to 80 percent. So, it can be concluded that the customer satisfaction variable is categorized as a partial mediator between service quality and repurchase intention of 23 percent. This means that customer satisfaction is quite significant in explaining how service quality affects repurchase intention, but there are other factors that also play a role.

### 4. DISCUSSION OF RESEARCH RESULTS

# The Influence of Service Quality on Repurchase Intention

The results of the hypothesis testing in this study indicate that service quality has a positive and significant effect on repurchase intention. The better the quality of service provided by Bali Panca Hanasta, the higher the consumer's repurchase intention, so the first hypothesis is accepted. This is in line with the theory of consumption value which states that product quality can strengthen the perception of consumption value, if the product is of high quality, its functional value increases, which in turn can increase emotional or social value, thereby strengthening purchase intention. The results of this study are also consistent with the responses of respondents to the indicator with the statement "Bali Panca Hanasta Tour always responds to requests, questions, and complaints quickly and efficiently through available communication channels" which has the highest average value and total score, where respondents stated that Bali Panca Hanasta Tour has a good response to requests, questions, and complaints given by customers to the company.

The results of this study are also in line with several previous studies conducted by Kusumo and Vidyanata (2022) which stated that when a service quality is able to meet consumer needs and desires, this will encourage repurchase intentions. The results of studies conducted by Baskara et al. (2021), Jasin and Firmansyah (2023), and Erlangga and Madiawati (2023) stated that service quality has a positive and significant effect on repurchase intentions.

### The Influence of Service Quality on Customer Satisfaction

The results of the hypothesis testing in this study indicate that service quality has a positive and significant effect on customer satisfaction. The better the quality of service received by consumers, the higher the level of consumer satisfaction with Bali Panca Hanasta, so that the second hypothesis is accepted. The results of this study are in line with the theory of consumption value which states that positive consumption value tends to increase customer satisfaction. If the quality of service meets or exceeds consumer expectations, they will feel that the value they get from consuming the product or service is high, which in turn increases their satisfaction. The results of this study are also consistent with the responses of respondents to the indicator with the statement "I feel that the service provided is comparable to the price paid when using the services of Bali Panca Hanasta Tour" which has the highest average value and total score, where respondents stated that the service provided by Bali Panca Hanasta Tour was in accordance with their expectations.

The results of this study are also in line with previous research conducted by Ekaprana et al. (2020) which states that service quality is how well the level of service provided by a service provider company meets customer expectations. The results of research conducted by Setyorini et al. (2022), Jasin and Firmansyah (2023), and Amerta and Warmika (2023) which explain that service quality has a positive and significant effect on customer satisfaction.

### The Influence of Customer Satisfaction on Repurchase Intention

The results of the hypothesis testing show that customer satisfaction has a positive and significant effect on repurchase intention. The higher the level of consumer satisfaction with Bali Panca Hanasta, the greater their repurchase intention. This result is in line with the respondents' responses to the indicator of satisfaction with the quality of service offered which has the highest average value. This shows that consumer satisfaction with the quality of service offered at Bali Panca Hanasta plays an important role in driving their repurchase intention.

The results of this study are also in line with previous studies conducted by Nabila et al. (2022), Jasin and Firmansyah (2023), and Kusumadewi and Saraswari (2020) which stated that customer satisfaction has a positive and significant effect on repurchase intentions. The higher the level of consumer satisfaction, the greater the likelihood of their repurchase intentions. Research conducted by Dewi and Ekawati (2019) shows that customer satisfaction is an important cause behind repeat purchases of a product, this happens if the quality of the product is in accordance with expectations, then customers will feel satisfied, thus encouraging the desire to repurchase the product.

# The Role of Customer Satisfaction in Mediating the Effect of Service Quality on Repurchase Intention

The results of hypothesis testing in this study indicate that customer satisfaction significantly mediates the effect of service quality on repurchase intention. Based on the results of the VAF test, it shows that customer satisfaction has a partial mediation role in the relationship between service quality and repurchase intention. This means that customer satisfaction plays an important role in explaining the relationship between service quality and repurchase intention. This shows that service quality not only directly affects repurchase intention, but also indirectly through increased customer satisfaction. Consumers who have high satisfaction with Bali Panca Hanasta because the service quality is in accordance with expectations tend to have higher repurchase intentions.

The results of this study are also strengthened by research conducted by Amerta and Warmika (2023), Law et al. (2024), Tong (2022), and Sudarto (2020) which show that service quality has a positive and significant relationship with repurchase intention mediated by customer satisfaction. This confirms that service quality can be an important aspect in increasing consumer repurchase intention decisions, especially if accompanied by efforts to foster a sense of consumer satisfaction through good service.

#### 5. CONCLUSION

Based on the results of the analysis and discussion that have been carried out, it can be concluded that:

- a. Service quality has a positive and significant effect on repurchase intention of online customers of Bali Panca Hanasta Tours travel agent in Bali. These results indicate that the better the quality of service provided by Bali Panca Hanasta Tours, the higher the consumer's repurchase intention.
- b. Service quality has a positive and significant effect on customer satisfaction of online customers of Bali Panca Hanasta Tours travel agents in Bali. These results indicate that the better the quality of service provided by Bali Panca Hanasta, the higher the customer satisfaction of consumers towards Bali Panca Hanasta Tours.
- c. Customer satisfaction has a positive and significant effect on repurchase intention for online customers of Bali Panca Hanasta Tours travel agents in Bali. These results indicate that the higher the customer satisfaction with Bali Panca Hanasta Tours, the greater their repurchase intention..

d. Customer satisfaction is able to mediate partially, meaning that service quality does not always meet expectations, but customers can choose to re-use products because there are no other options. In other words, although good service quality can encourage customers to make repeat purchases, the level of satisfaction obtained also plays an important role in strengthening the relationship. If customers are satisfied with the service they receive, their chances of returning to use the same service will be higher. However, if satisfaction does not occur, the effect of service quality on repurchase intentions still occurs.

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