

Mediating Role of Customer Satisfaction in the Impact of Service Quality and Pricing on Customer Loyalty (Study at Uptd Kesehatan Pengobatan Tradisional Bali)



Made Widi Wulandari¹, I Made Sara², Ni Luh Anik Puspa Ningsih³

^{1,2,3} Faculty of Economics and Business, Warmadewa University, Indonesia

ABSTRACT: Customer loyalty is a behavioral urge to make repeat purchases and is carried out to build customer loyalty to a product or service produced or produced by the company. This research was conducted at the UPTD Kesehatan Masyarakat Bali, Indonesia. The purpose of this study was to determine the effect of service quality, price, customer satisfaction and customer loyalty. The problem discussed in this study is the role of customer satisfaction in mediating the effect of service quality and price on customer loyalty. The number of respondent samples in this study was 97 respondents. The types of data in this study are primary and secondary data with data collection methods in the form of questionnaires. This research method is quantitative research. The data analysis technique used is descriptive analysis and inferential analysis with classical assumption tests, and path analysis. The results of this study show that service quality has a positive and significant effect on customer loyalty and customer satisfaction. Price has a positive but not significant effect on customer loyalty and price has a significant positive effect on customer satisfaction. Customer satisfaction has a positive but not significant effect on customer loyalty. Customer satisfaction does not mediate the relationship between service quality and customer loyalty. This can be seen from the relationship between service quality and customer loyalty directly significant, the relationship between service quality and customer satisfaction is also significant and the indirect relationship between service quality and customer loyalty through customer satisfaction is also insignificant. Indicates that good service quality creates customer loyalty without the need for satisfaction to be felt first. Customer satisfaction does not mediate the relationship between price and customer loyalty. This can be seen from the relationship between price and customer loyalty, which is directly insignificant, the relationship between price and customer satisfaction is directly significant, and the indirect relationship between price and customer loyalty through customer satisfaction is also insignificant. Indicating that price can affect customer loyalty directly without going through changes in satisfaction levels.

KEYWORDS: Service Quality, Price, Customer Satisfaction, Customer Loyalty

I. INTRODUCTION

The rapid development of technology has made it easier for people to receive information, including about health services. The development of healthcare technology in Indonesia has been rapid, especially in recent years. The rapid development of modern medicine does not make traditional medicine forgotten by the community. Traditional medicine in Indonesia has historical and cultural importance, and for some people, it is still their first choice. The culture of traditional medicine in Indonesia is rooted in cultural heritage, local knowledge, and the experience of using raw materials such as medicinal plants, spices, and traditional herbs.

Traditional healthcare has become one of the options or complements in efforts to improve health quality and prevent disease. The Indonesian government has developed traditional health services as recommended by the World Health Organization (WHO) in the 2014-2023 Traditional Complementary Medicine Strategy. The results of the Basic Health Research (Riskesmas) of Bali Province in 2018, around 97.25 percent of the population chose to use traditional health services when treatment with modern medicine did not provide healing. Of this proportion, around 49.39 percent relied on herbal concoctions, 46.58 percent used manual techniques, and 37.50 percent chose ready-made traditional concoctions (www.diskes.baliprov.go.id).

Customer loyalty is a behavior that encourages making repeated purchases and is carried out to build customer loyalty for a product or service produced or produced by a company (Herhausen et al., 2019). Customer loyalty is very important for

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companies because it has various positive impacts that directly affect business success and sustainability. Customer loyalty can be measured using several indicators such as making repeat purchases, purchasing the entire line of products or services and references to others and immunity to competitors' invitations (Dewi et al., 2018). Based on these indicators, companies are required to be able to describe the function of the product or service in accordance with the wants and needs of customers, so that customers will have a good perception of the services provided and create a strong and positive relationship between the company and customers (Ismoerida & Anabanu, 2019).

The object of this research is the UPTD Kesehatan Pengobatan Tradisional which is one of the regional integrated implementing units under the auspices of the Bali Provincial Health Office. The reason for choosing this object is because they have a quality public service that focuses on promotive and preventive efforts in carrying out the management and development of traditional health services, which aims to improve health and prevent disease through traditional medicine methods. This formed a healthy house called "Griya Sehat Bali Dwipa Usadha" which was formed based on Governor Regulation No. 59 of 2019. They has traditional types of services in the form of healthy services using water (SPA), acupuncture, acupressure or reflexology, aesthetic services, and counseling related to traditional health.

UPTD Kesehatan Pengobatan Tradisional needs to make efforts to improve service quality in developing the potential of traditional health services optimally to increase customer loyalty. Measuring customer loyalty through the number of visits to the UPTD Kesehatan Pengobatan Tradisional can provide an idea of how often customers use the service.

Based on the results of a pre-survey, customer dissatisfaction is caused discrepancies were found between the price and the benefits received. When customers feel they are not getting value for money, they tend to look for alternatives that offer better value. Customer loyalty is highly dependent on brand perception. If the value received is not worth the price, loyalty will decline, and customers will tend to try other brands. Companies should focus on improving service quality, adjusting prices to the benefits offered, ensuring service consistency, and creating clear differentiation. Thus, companies can increase customer satisfaction and build strong loyalty.

Customer satisfaction affects service quality and price in an interrelated way. Customer satisfaction is the cognitive situation of a buyer who feels valued equally or unequally with the sacrifices that have been made. Customer satisfaction contributes to a number of crucial aspects, such as creating customer loyalty, increasing company reputation, reducing price elasticity, reducing future transaction costs, and increasing employee efficiency and productivity (Tjiptono & Diana, 2019: 117)

Price is measured using several indicators such as affordable prices, prices offered in accordance with the quality of the product or service, competitive prices and prices in accordance with the benefits obtained by customers (Supangkat et al., 2020). If customers feel that the price they pay is comparable or lower than the value they receive (e.g. product or service quality), they tend to feel satisfied and loyal. Therefore, price is not only a major factor in the initial purchase decision but also builds and maintains customer loyalty in the long term.

Service quality is one of the factors that may affect customer loyalty. Service quality is a model that describes customer conditions in the form of expectations for services from past experiences, word of mouth and advertisements by comparing the services they expect with what they receive or feel (Wisnu & Ardani, 2020). Quality service is the foundation for creating and maintaining customer loyalty. Good service not only meets customer needs but also exceeds their expectations, creating a positive experience and a mutually beneficial long-term relationship.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Loyalty is actually not only seen in how much customers buy but from how often customers make repeat purchases and recommend others to buy (Diputra & Yasa, 2021). Customers who are loyal to the company will give top priority in choosing goods or services. Customer loyalty is also a positive attitude towards the company, a commitment that has the intention to continue purchasing in the future, this can last for a long period of time and ends when a mismatch occurs which will break the strong bond between the customer and the company (Nuraeni et al., 2019). According to Cuong & Khoi (2019), customer loyalty is defined as a firmly held commitment to repurchase or re-subscribe to a preferred product or service in a consistent manner in the future, even though situational influences and potential marketing efforts cause behavioral switching. The main reason for being loyal customers is that they are very satisfied with the service received from the company. Based on the above understanding, it can be concluded that customer loyalty is a positive attitude of consumers towards a product or service or to a company which is accompanied by a commitment to buy the company's products or services repeatedly and recommend them to others.

Quality service will have an impact on customer satisfaction, where every consumer wants the product or service produced by the producer to provide satisfaction to consumers (Kotler & Armstrong (2017: 240). Quality service is the level of excellence expected and control over that level of excellence to meet customer desires (Wisnu & Ardani, 2020). In the marketing

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process, service quality is very crucial because it is the dominant factor in creating a sense of satisfaction or dissatisfaction in customers. Quality service is the ability to adjust the wishes or demands of service recipients provided by service providers in accordance with predetermined conditions. Based on some of the above definitions, it can be concluded that quality service is a level of service provided by marketers to customers that is related to customer expectations and needs.

H1: service quality has a significant effect on customer loyalty

H2: service quality has a significant effect on customer satisfaction

Price is the amount of money charged for a product or service that is given up in exchange for a good or service. Price is the amount of money or value that consumers exchange to benefit from ownership or costs incurred for a product or service (Wantara & Tambrin, 2019). Price is specifically the exchange of money for goods or services and the sacrifice of time due to waiting to get goods and services (Nasution et al., 2020). In general, price is one of the determinants of business as a benchmark for customers to make purchases or ignore them. Price is the amount of money needed to have a number of combinations of goods and services (Supangkat et al., 2020). Price is the only element of the marketing mix that generates revenue and is the most flexible, because prices can change quickly unlike product features and distribution agreements (Khoironi et al., 2018). According to Murniati & Sruyaning (2020) pricing is based on the marketing strategy implemented, cost structure, revenue stream, and consumer willingness to pay. Pricing must be adjusted to the selected consumer segment.

H3: price has a significant effect on customer loyalty

H4: price has a significant effect on customer satisfaction

Satisfaction is a person's feeling of pleasure or disappointment that arises from comparing the perceived performance of a product or result against expectations (Kotler & Keller (2018: 138). Priansa (2017: 211) customer satisfaction is a description of the difference between expectations and performance (which is actually received). If expectations are high, while the performance is normal, satisfaction will not be achieved or even cause disappointment for the customer. Conversely, if the performance exceeds what is expected, satisfaction will increase. Customer satisfaction is the goal of a business, the creation of customer satisfaction can provide a number of benefits for the company, including the relationship between the company and the customer becoming harmonious, providing a good basis for the creation of repeat purchases, creating customer loyalty, and forming a word of mouth recommendation that is beneficial to the company (Nuraeni et al., 2019). Customer satisfaction is the result felt by the customer after using, utilizing, and owning a product or service, if the product or service can meet customer expectations, in the end the customer will feel happy and satisfied (Supangkat et al., 2020). Zulkarnain et.al (2020) also argue that customer satisfaction is the customer's response to the perceived mismatch between previous expectations and the actual performance of the product or service felt after its use.

H5: customer satisfaction has a positive and significant effect on customer loyalty

H6: customer satisfaction can mediate the effect of service quality on customer loyalty
H7: customer satisfaction can mediate the effect of price on customer loyalty

III. RESEARCH METHODS

This research design analyzes customer behavior with exogenous constructs in this study are service quality (X1), price (X2). The endogenous constructs in this study are customer satisfaction (Y1) and customer loyalty (Y2), where customer satisfaction is used as an intervening endogenous construct. The type of research used in this research is research with a descriptive quantitative approach. Quantitative research method is a specific type of research that is systematic, planned and clearly structured.

Data collection was carried out using a survey method using an instrument in the form of a questionnaire. The measuring instrument used to measure the variables in this study is a Likert scale. Sampling to determine the sample to be used in this study is based on accidental sampling. Determination of the number of samples used by researchers in this study using the Slovin formula. In the calculation of the Slovin formula, a sample size of 97 respondents was obtained.

IV. RESULTS

Table 2 shows the characteristics of respondents based on gender, namely 35 male respondents (36.1%) and 62 female respondents (63.9%). Based on the data obtained by researchers, UPTD Traditional Medicine customers are dominated by women. This shows that women are more often involved in beauty treatments and may seek more health treatments that are considered safer and more natural.

Based on age level, respondents aged 16-20 years were 5 people (5.2%), respondents aged 21-25 years were 8 people (8.2%), respondents aged 26-30 years were 12 people (12.4%), respondents aged 31-35 years were 30 people (30.9%), and respondents aged over 35 years were more, namely 42 people (43.3%), this shows that most of the respondents in this study were

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over 35 years old, because the increasing age is increasingly sensitive to the side effects of modern medicine. Traditional medicine is often considered to have more side effects so they tend to choose this option to avoid complications.

Based on the level of employment, 13 respondents (13.4%) were students, 44 respondents (45.4%) were government employees, 18 respondents (18.6%) were private employees, 10 respondents (10.3%) were self-employed, and 12 respondents (12.4%) were others. This shows that most of the respondents in this study work as government employees.

The level of education shown that 10 respondents (10.3%) had a junior high school education with a high school education as many as 32 people (33%), 51 respondents had a DIV / S1 education (52.6%), 4 respondents had a Masters education (4.1%). This shows that most respondents in this study have a DIV / S1 education level, an education level that is often involved in community activities or research that can introduce them to various forms of treatment including traditional medicine. This exposure may influence their decision to use these services.

Table 2. Characteristics Respondent

| Gender | Frequency | Percentage (%) |
|---------------------------|------------------|-----------------------|
| Man | 35 | 36.1 |
| Woman | 62 | 63.9 |
| Amount | 97 | 100 |
| Age | Frequency | Percentage (%) |
| 16 – 20 | 5 | 5.2 |
| 21 – 25 | 8 | 8.2 |
| 26 – 30 | 12 | 12.4 |
| 31 – 35 | 30 | 30.9 |
| > 35 | 42 | 43.3 |
| Amount | 97 | 100 |
| Work | Frequency | Percentage (%) |
| Student / Students | 13 | 13.4 |
| Government employees | 44 | 45.4 |
| Employee Private | 18 | 18.6 |
| Self-employed | 10 | 10.3 |
| Other | 12 | 12.4 |
| Amount | 97 | 100 |
| Level of education | Frequency | Percentage (%) |
| JUNIOR HIGH SCHOOL | 10 | 10.3 |
| SMA/SMK | 32 | 33.0 |
| D IV/ S1 | 51 | 52.6 |
| S2 | 4 | 4.1 |
| Amount | 97 | 100 |

The statistical test results show that all indicators have an outer loading value greater than 0.70 and are statistically significant at the 0.05 level, so they have met the valid requirements in terms of convergent validity.

Table 3. Convergent Validity

| Indicators (O/STDEV) | T Statistics | P Values |
|-----------------------------------|---------------------|-----------------|
| X1.1 <- X1[Quality Service] | 11,572 | 0,000 |
| X1.2 <- X1[Quality Service] | 18,366 | 0,000 |
| X1.3 <- X1[Quality Service] | 23,947 | 0,000 |
| X1.4 <- X1[Quality Service] | 18,133 | 0,000 |
| X1.5 <- X1[Quality Service] | 12,522 | 0,000 |
| X2.1 <- X2[Price] | 9,054 | 0,000 |
| X2.2 <- X2[Price] | 23,010 | 0,000 |

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| | | |
|-------------------------------------|--------|-------|
| X2.3 <- X2[Price] | 19,866 | 0,000 |
| X2.4 <- X2[Price] | 25,164 | 0,000 |
| Y1.1 <- Y1[Satisfaction Customer] | 19,338 | 0,000 |
| Y1.2 <- Y1[Satisfaction Customer] | 26,569 | 0,000 |
| Y1.3 <- Y1[Satisfaction Customer] | 24,867 | 0,000 |
| Y2.1 <- Y2[Loyalty Customer] | 16,430 | 0,000 |
| Y2.2 <- Y2[Loyalty Customer] | 10,960 | 0,000 |
| Y2.3 <- Y2[Loyalty Customer] | 16,045 | 0,000 |
| Y2.4 <- Y2[Loyalty Customer] | 11,641 | 0,000 |

The statistical test results (table 3) show that all indicators forming constructs in each block have a value greater than other constructs in the same block. So that it meets the valid requirements of the discriminant validity criteria.

Table 4
Discriminant Validity

| Indicators | X1[Kualitas Pelayanan] | X2[Harga] | Y1[Kepuasan Pelanggan] | Y2[Loyalitas Pelanggan] |
|------------|------------------------|--------------|------------------------|-------------------------|
| X1.1 | 0.743 | 0.447 | 0.575 | 0.559 |
| X1.2 | 0.821 | 0.632 | 0.684 | 0.499 |
| X1.3 | 0.852 | 0.542 | 0.556 | 0.560 |
| X1.4 | 0.793 | 0.570 | 0.530 | 0.541 |
| X1.5 | 0.692 | 0.528 | 0.513 | 0.448 |
| X2.1 | 0.474 | 0.724 | 0.519 | 0.515 |
| X2.2 | 0.591 | 0.843 | 0.653 | 0.404 |
| X2.3 | 0.568 | 0.827 | 0.555 | 0.530 |
| X2.4 | 0.623 | 0.853 | 0.693 | 0.446 |
| Y1.1 | 0.629 | 0.552 | 0.814 | 0.427 |
| Y1.2 | 0.572 | 0.654 | 0.872 | 0.561 |
| Y1.3 | 0.662 | 0.678 | 0.848 | 0.568 |
| Y2.1 | 0.532 | 0.518 | 0.468 | 0.770 |
| Y2.2 | 0.425 | 0.488 | 0.526 | 0.757 |
| Y2.3 | 0.595 | 0.420 | 0.506 | 0.807 |
| Y2.4 | 0.492 | 0.360 | 0.397 | 0.742 |

Table 5 Path Analysis and Submission Statistics

| Corelation Between Variable | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ((O/STDEV)) | P Values |
|---|---------------------|-----------------|----------------------------|--------------------------|----------|
| X1[Kualitas Pelayanan] -> Y1[Kepuasan Pelanggan] | 0,416 | 0,416 | 0,125 | 3,334 | 0,001 |
| X1[Kualitas Pelayanan] -> Y2[Loyalitas Pelanggan] | 0,424 | 0,430 | 0,132 | 3,209 | 0,001 |
| X2[Harga] -> Y1[Kepuasan Pelanggan] | 0,458 | 0,459 | 0,120 | 3,816 | 0,000 |
| X2[Harga] -> Y2[Loyalitas Pelanggan] | 0,129 | 0,139 | 0,150 | 0,857 | 0,392 |
| Y1[Kepuasan Pelanggan] -> Y2[Loyalitas Pelanggan] | 0,210 | 0,201 | 0,130 | 1,617 | 0,106 |

In hypothesis testing (Tables 4 and 5), it is found that the value (p-value) is less than 0.05, which means that the test results are significant, and vice versa if the value (p-value) is greater than 0.05, the test results are not significant. Service quality has a positive effect of 0.416 on customer satisfaction and a significant relationship at the 0.05 level because the t statistical value is greater than 1.96, which is 3.334. Service quality has a positive effect of 0.424 on customer loyalty and a significant relationship at the 0.05 level because the t statistical value is greater than 1.96, which is 3.209. Price has a positive effect of 0.458 on customer satisfaction and a significant relationship at the 0.05 level

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because the t-statistic value is greater than 1.96, which is 3.816. Price has a positive effect of 0.129 on customer loyalty and the relationship is not significant at the 0.05 level, because the t-statistic value is smaller than 1.96, which is 0.857. Customer satisfaction has a positive effect of 0.210 on customer loyalty and the relationship is not significant at the 0.05 level, because the t statistical value is smaller than 1.96, which is 1.617.

Table 6 Testing Influence Mediation

| Variables | Original Sample(O) | T Statistics (O/STDEV) | P Values |
|--|--------------------|--------------------------|----------|
| X1[Service Quality] -> Y1[Customer Satisfaction] -> Y2[Customer Loyalty] | 0.087 | 1,449 | 0.148 |
| X2[Price] -> Y1[Customer Satisfaction] -> Y2[Customer Loyalty] | 0.096 | 1,369 | 0.172 |

Based on mediation testing (table 6) customer satisfaction does not mediate the relationship between service quality and customer loyalty. This can be seen from the significant relationship between service quality and customer loyalty, but the indirect relationship between service quality and customer loyalty through customer satisfaction is not significant, this means that service quality is able to increase customer loyalty without mediating customer satisfaction. Customer satisfaction does not mediate the relationship between price and customer loyalty. This can be seen from the significant relationship between price and customer loyalty, but the indirect relationship between price and customer loyalty through customer satisfaction is not significant, this means that price is able to increase customer loyalty without mediating customer satisfaction.

V. DISCUSSION

Service Quality and Customer Loyalty

This service quality has a positive effect of 0.424 and is significant for customer loyalty at the UPTD Kesehatan Pengobatan Tradisional. This means that the better the quality of service provided, the higher the level of customer loyalty. This is evidenced by the statement indicator that is rated highest by respondents' answers, namely employees being polite in dealing with customers. The better the attitude of employees in dealing with customers, the higher customer loyalty will be. The results of this study are related to empirical and theoretical studies and also support the theory of planned behavior which shows that good service quality can increase positive attitudes, namely high service quality creates a positive attitude towards service providers and leads to loyalty. Subjective norms that support positive reviews and recommendations from people around customers can strengthen their intention to remain loyal. Behavioral control perceived by customers in the form of ease of access and barriers to changing service providers influences customers' decisions to remain loyal. These three factors contribute to increasing customers' intention to remain loyal. Therefore, Traditional Medicine Health Service Units that focus on improving service quality can effectively increase customer loyalty.

Hidayat & Peridawaty (2020) explain that service quality has a positive and significant effect on customer loyalty at PT Telkom. Hariono & Marlina (2021) also argue that service quality has a positive and significant effect on customer loyalty at Star Motor Carwash (Rafi & Nugroho, 2022) argue that service quality has a positive and significant effect on customer loyalty at Shopee Food. Ozkan et al. (2019), Lubis et al. (2020), Saputra & Sugiati (2023) also support that service quality has a positive and significant effect on customer loyalty.

Service Quality and Customer Satisfaction

The service quality has a positive effect of 0.416 and is significant for customer satisfaction at the UPTD Kesehatan Pengobatan Tradisional. This means that the better the quality of service provided, the higher the customer satisfaction. This is evidenced by the statement indicator that is rated highest by respondents' answers, namely consultations related to traditional medicine at the UPTD Kesehatan Pengobatan Tradisional service are very trustworthy. The better the customer's needs are addressed, the more satisfied the customer feels. The success of UPTD Kesehatan Pengobatan Tradisional is highly dependent on providing quality service which leads to increased customer satisfaction. Customer service is a form of interaction between service providers and service recipients. To achieve customer satisfaction and expectations, good service is very important for marketers to provide. After all, the supporting tool of the marketing concept is the identification and satisfaction of customer needs.

Through maximum service, of course, it will provide satisfaction for customers. The results of this study relate to empirical and

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theoretical studies and also support the theory of planned behavior which shows how psychological factors such as attitudes, subjective norms, and perceived behavioral control affect customer satisfaction. Customers' attitudes towards service quality will affect how they evaluate the services they receive. If customers have a positive attitude towards the quality of the services offered, then they will tend to feel satisfied. Conversely, if these aspects do not support service quality, then customer satisfaction may decrease.

The results of this study are in line with previous research Fernandes & Solimun (2018), Boonleertvanich (2019), Hidayat & Peridawaty (2020) explaining that service quality has a positive and significant effect on customer satisfaction. Kuswandi & Nuryanto (2021) also state that service quality has a positive and significant effect on customer satisfaction at Traveloka. Research from Wiguna & Padmanty (2023) also supports that service quality has a positive and significant effect on customer satisfaction.

Pricing and Customer Loyalty

Price has a positive effect of 0.129 and is insignificant on customer loyalty at the UPTD Kesehatan Pengobatan Tradisional. This means that price changes do not affect customer loyalty. This can be seen from the characteristics of respondents who are dominated by civil servants and are over 35 years old who use services at the UPTD Kesehatan Pengobatan Tradisional, because civil servants are directed to participate in supporting the Bali Provincial Government Program, one of which is using services at the UPTD Health Traditional Medicine. At the age of over 35 years, customers are more sensitive to the side effects of modern medicines and this age may have had positive experiences with traditional medicine at the UPTD Kesehatan Pengobatan Tradisional so they are reluctant to try similar services in a new place. In the theory of planned behavior, price can be one of the factors that influence customer loyalty. If customers have a positive attitude towards the price offered, feel supported by social norms, then customers tend to have a strong intention to remain loyal. High intention to keep using a service or recommending it to others is usually related to positive experiences related to price, even though there is a price change at the UPTD Kesehatan Pengobatan Tradisional, customers will remain loyal and reluctant to switch services to other places.

This is different from Khoironiet.al (2018) which states that price has a positive and significant effect on customer loyalty in the emping melinjo MSME industry in Banten Province. Anggraini & Budiarti (2020) state that price has a positive and significant effect on customer loyalty for Gojek consumers. Hariono & Marlina (2021) state that price has a significant effect on customer loyalty at Star Motor Carwash. Chandra et.al (2023) state that price has a positive and significant effect on customer loyalty at the Bekasi Rapha Farma Pharmacy. Wiguna & Padmanty's research (2023) also supports that price has a positive and significant effect on customer loyalty at Mie Gacoan in Solo.

Pricing and Customer Satisfaction

Price has a positive effect of 0.458 and is significant to customer satisfaction at UPTD Kesehatan Pengobatan Tradisional. This means that the better the price offered, the higher the customer satisfaction. This is evidenced by the statement indicator that is rated the highest by respondents' answers, namely the price offered is relatively affordable. If they are not, prices are still supported by effective service quality, then customers feel more satisfied to get significant benefits from the costs incurred at UPTD Kesehatan Pengobatan Tradisional.

The results of this study support the theory of planned behavior, which helps explain how price affects customer satisfaction, one of which is the customer intention factor. Customers' intentions to purchase a product or service are often influenced by their perceptions of price. This intention reflects the extent to which the customer plans to buy or continue using the product or service at the set price. If the intention to buy is high because the price is perceived as fair or good value, and the product or service meets customer expectations, then customer satisfaction will increase. Conversely, if the intention to buy is low because the price is perceived as inappropriate, then customer satisfaction may decrease. The results of this study are in line with the research of Wantara & Tambrin (2019) which states that price is proven to have a significant effect on customer satisfaction in Madura Batik. Yusuf et al (2019) state that price is proven to have a significant effect on the satisfaction of consumers who use Samsung brand smartphones. According to Chandra et al (2023) stated that price is proven to have a positive and significant effect on customer satisfaction at the Bekasi Rapha Farma Pharmacy, Jennifer (2023) also stated that price is proven to have a positive and significant effect on customer satisfaction.

Customer Satisfaction and Customer Loyalty

Customer satisfaction has a positive effect of 0.210 and is not significant on customer loyalty at the UPTD Kesehatan Pengobatan Tradisional. This means that the higher the customer satisfaction, the higher the customer loyalty, but it is not significant. Satisfaction can be felt without a long-term need or emotional commitment to the service, so it does not always have a significant effect on customer loyalty. This is supported by the indicator statement which is rated the highest by respondents' answers, namely that customers are able to feel good results after using services. Customers who feel good results tend to provide positive feedback and can recommend the service to others. This shows that customers feel the results of treatment are useful and satisfying. In the theory of planned behavior, attitude is one of the main predictors of behavioral intention, which in this case is the intention to continue using traditional medicine services. A positive attitude towards the service derived from customer satisfaction directly influences the customer's intention to remain loyal.

These results differ from research by Cuong & Khoi (2019) which explains that customer satisfaction has a significant positive effect on

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customer trust and loyalty at minimarkets in Vietnam. Kim et al (2020) explain that customer satisfaction with both old and new retail companies shows a significant influence on customer loyalty in Korea. Similar results obtained by Teeroovengadum (2020), Surahman et al (2020), Rafi & Nugroho (2022) explain that customer satisfaction has a significant effect on customer loyalty.

The mediating effect of customer satisfaction on service quality and customer loyalty

Customer satisfaction does not mediate the relationship between service quality and customer loyalty. Service quality is considered to be able to directly affect customer loyalty significantly, which means that good service quality creates customer loyalty without the need for a sense of satisfaction felt first, customers will be loyal directly when the service quality is felt to be good, good service quality can directly affect customer loyalty without having to go through customer satisfaction as an intermediary. Customers may highly value high quality and may show loyalty even though they may not explicitly express their satisfaction or have experience using services at the UPTD Kesehatan Pengobatan Tradisional. Other factors such as trust in traditional healing methods or recommendations from family and friends, may play a greater role in customer loyalty than direct satisfaction.

The results of this study differ from the research conducted by Wantara & Tambrin (2019) which stated that customer satisfaction can mediate the effect of price on customer loyalty of Madura Batik. Khoironi et.al (2018) stated that customer satisfaction can mediate the effect of price on customer loyalty in the emping melinjo UMKM industry in Banten Province. Hariono & Marlina (2021), Wiguna & Padmanty (2023) also stated that customer satisfaction can mediate the effect of service quality on customer loyalty.

The mediating effect customer satisfaction on price and customer loyalty

Customer satisfaction does not mediate the relationship between price and customer loyalty. This means that price can directly affect customer loyalty. In this context, price changes can directly affect customer loyalty without going through changes in the level of customer satisfaction. Other factors can explain the relationship outside the research model. Influencing factors such as customers trusting the service provider or treatment method at the Traditional Medicine Health Service Unit, they are more likely to remain loyal. Price may affect customer loyalty directly without going through customer satisfaction. The price offered is affordable at UPTD Kesehatan Pengobatan Tradisional, customers may remain loyal even if they are not very satisfied using the service but customers can see a good price as an incentive to stay loyal. In this case, price can affect customer loyalty directly without going through satisfaction as an intermediary. Other factors such as the perceived value of the service or the quality of treatment results may be more dominant in determining customer loyalty compared to customer satisfaction which is influenced by price

This result is different from Wantara & Tambrin (2019) who stated that customer satisfaction can mediate the effect of price on Madura Batik customer loyalty. Khoironi et.al (2018) state that customer satisfaction can mediate the effect of price on customer loyalty in the emping melinjo MSME industry in Banten Province. Hariono & Marlina (2021), Wiguna & Padmanty (2023) also state that customer satisfaction can mediate the effect of price on customer loyalty.

VI. CONCLUSIONS

Service quality has a positive and significant effect on customer loyalty at UPTD Kesehatan Pengobatan Tradisional. This means that the better the quality of service provided, the more customer loyalty will increase. Service quality has a positive and significant effect on customer satisfaction at UPTD Kesehatan Pengobatan Tradisional. This means that the better the quality of service provided, the more customer satisfaction will increase. Price has a positive and insignificant effect on customer loyalty at UPTD Kesehatan Pengobatan Tradisional. This means that the better the price offered, the more customer loyalty will increase, but not significantly. Price has a positive and significant effect on customer satisfaction at the UPTD Kesehatan Pengobatan Tradisional. This means that the better the price offered, the more customer satisfaction will increase. Customer satisfaction has a positive and insignificant effect on customer loyalty at UPTD Kesehatan Pengobatan Tradisional. This means that the higher the customer satisfaction, the more customer loyalty will increase, but not significantly. The role of customer satisfaction does not mediate the relationship between service quality and customer loyalty at the UPTD Kesehatan Pengobatan Tradisional. The role of customer satisfaction does not mediate the relationship between price and customer loyalty at the UPTD Kesehatan Pengobatan Tradisional.

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