Analysis of Service Quality on Subscription Decisions with Customer Satisfaction as a Mediation Variable (Survey on the Community of Sukabumi City Users of IndiHome Internet Services)

Nurul Fitriani[1], Erry Sunarya[2], Kokom Komariah[3]

[1,2,3]University of Muhammadiyah Sukabumi, Indonesia

Email: nurulfitriani120@ummi.ac.id, errysoen@ummi.ac.id, ko2mpuspai@ummi.ac.id

	Abstract
	This study aims to analyze the Influence of Service Quality on IndiHome Internet Service Subscription Decisions with Customer Satisfaction as a mediating variable. The existence of customer complaints indicates that the rate of subscription decisions is very low. The research method used was a survey with a questionnaire distributed to 135 users of IndiHome internet service in Sukabumi City. The data obtained was analyzed using path analysis to test between the variables studied. The results of this study show that Service Quality has a significant effect on Customer Satisfaction, and Customer Satisfaction has a positive and significant effect on subscription decisions, In addition, Customer Satisfaction is proven to play a mediating variable that strengthens the relationship between Service Quality and Subscription Decisions. These findings indicate that the better the quality of service provided, the more likely customers are to feel satisfied, and that satisfaction ultimately strengthens the Subscription Decision. This research provides insights for companies to continuously improve the quality of services provided through customer satisfaction to maintain subscription decisions.

INTRODUCTION

The advancement of information technology has brought major changes in various aspects of life, including the need for fast and stable internet services. In Indonesia, internet services have become a major need, both for education, work, entertainment and communication. One of the internet service providers that has a large market share is IndiHome, an internet service managed by PT Telekomunikasi Indonesia. Although IndiHome has made a great contribution in meeting the internet needs of the community, not a few users complain about various problems related to service quality.

In business competition, companies have to improve the quality of their services to improve subscription decisions, the high customer complaints indicate the low rate of subscription decisions which is an important aspect in the internet service industry such as IndiHome. However, despite the growing demand for the internet, the subscription decision does not happen automatically. Many factors affect the decision, both in terms of service quality, customer satisfaction, price and customer experience in using the service. Increasingly fierce competition with other internet service providers makes customers have many options before finally deciding to subscribe. IndiHome as one of the largest internet service providers in Indonesia faces various challenges in attracting and retaining customers (Budiman et al., 2020).

In the context of IndiHome services in Sukabumi City, there are still many customers who reconsider their decision to subscribe. This can be caused by various factors such as network instability, less responsive customer service or a mismatch between price and quality of service

provided. If the quality of the service provided does not match the customer's expectations, then they will be more likely not to continue the subscription or even switch to another service provider that is considered better (Ani et al., 2021). It is therefore important for IndiHome to evaluate the extent to which the quality of services provided can meet customer expectations and improve subscription decisions.

In addition, the aspect of information transparency is also one of the main considerations for customers in making subscription decisions. Customers want clear information about service packages, surcharges, and other applicable terms. Lack of transparency in the delivery of information can lead to customer distrust and impact low rates of subscription decisions. A customer's decision to subscribe depends not only on the price and quality of the service, but also on how their experience is in using the service. If the customer experience doesn't live up to their expectations, then it will be easier for them to switch to another provider. With the increasing need for the internet, IndiHome needs to understand customer preferences in making subscription decisions and make the right strategy in maintaining service quality and increasing customer satisfaction, it is also important for IndiHome to proactively handle this problem and provide services that meet customer expectations to remain relevant and competitive in an increasingly tight market (Mahira et al., 2021).

METHOD

This study uses a quantitative method with a causal descriptive approach, which explains the relationship between variables objectively through statistical analysis theory. The research began with the preparation of research instruments, primary data collection through surveys, and data analysis using statistical methods to test the relationship between Service Quality and Subscription Decision with Customer Satisfaction of IndiHome Internet Services. The population in this study is the Sukabumi City Community who use IndiHome internet services, with samples taken using purposive sampling techniques. The sample criteria were people in Sukabumi City who used IndiHome internet services and used IndiHome internet services <1 year to >3 years. The number of samples is determined using the Hair formula with the number of samples calculated which shifts the number of indicators with a number between 5-10.

Data was collected through a structured questionnaire that included statements relating to the level of Service Quality, Subscription Decisions, Customer Satisfaction, and respondent demographic characteristics. The variable measurement uses a Smantic Differential scale of 1-7, where 1 means "strongly disagree" and 7 means "strongly agree". The variables measured include Service Quality, Subscription Decisions, Customer Satisfaction, Service Marketing Management and Consumer Behavior. The dimension of Service Quality includes, reliability, quality of interaction and consistency. Meanwhile, Subscription Results are measured by interest, product choice and purchase amount. And Customer Satisfaction is measured through product benefits, employee friendliness and loyalty.

This data analysis is carried out through several stages. First, descriptive analysis was carried out to describe the characteristics of respondents statistically. Furthermore, validity and reliability tests were carried out using the evaluation of the measurement model (outer model) on SmartPLS3, which included convergent validity (with AVE >0.5). Constructs are considered to have high reliability if the Composite Trliability value is >0.70 and an indicator is considered reliable if Cronbach's Alpha value is >0.70.

To test the relationship between variables, structural regression analysis (Structural Equation Modeling/SEM-PLS) was carried out with SmartPLS. Path Analysis is used to measure

the influence of Service Quality on Subscription Decisions and Customer Satisfaction as a mediating variable, either directly or indirectly.

The results of the analysis are presented in the form of SmartPLS-based tables that are equipped with clear and in-depth interpretation. With this approach, this study is expected to provide comprehensive insights into Service Quality Analysis on Subscription Decisions and Customer Satisfaction as a mediating variable by IndiHome internet service users in Sukabumi City.

RESULTS AND DISCUSSION

Descriptive Analysis

Descriptive analysis was brought together in a single table that included gender, age, and length of subscription based on 135 respondents.

Table 4.1 Characteristics of Respondents

Characteristic	Sum	Percentage
Gender		
Man	60	44,4%
Woman	75	55,6%
Age		
<20 years old	4	3%
20-30 years	56	41,5%
31-40 years old	38	28,1%
>40 years old	37	27,4%
Long Subscription		
<1 year	37	27,4%
1-3 years	48	35,6%
>3 years	50	37%

Source : Processed Research, 2025

Based on Table 4.1, we can see that IndiHome's male customers are 60 or 44.4%, IndiHome's female customers are 75 or 55.6%. The age of IndiHome customers is predominantly 20-30 years old with a total of 56 or 41.5% with many subscription periods >3 years.

External Model Testing
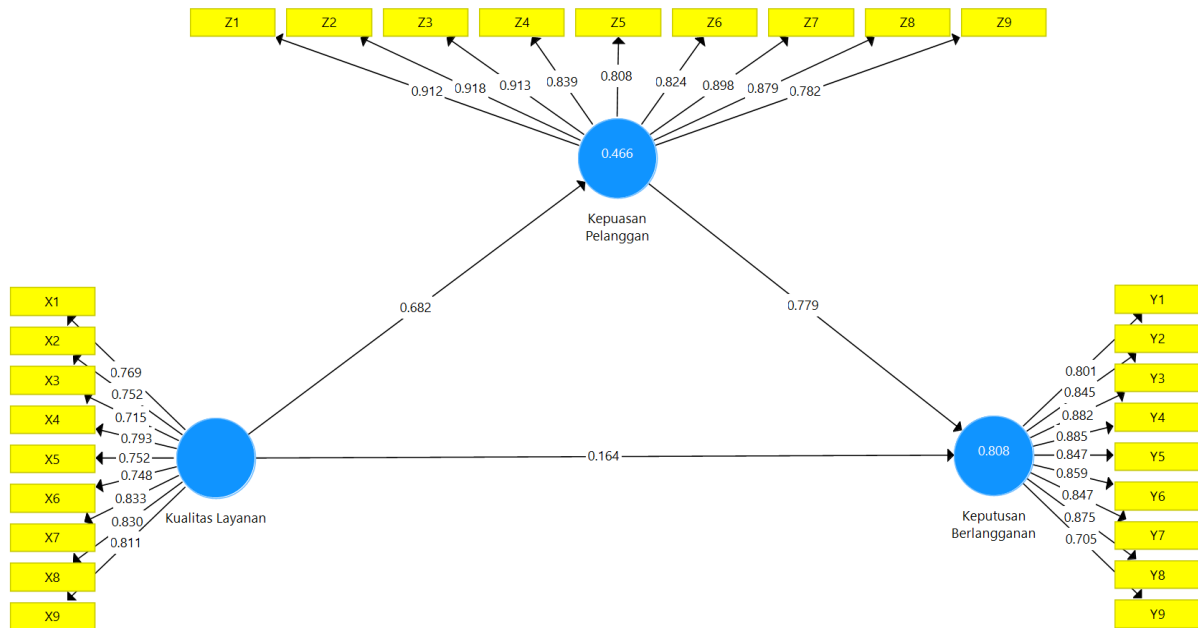
The figure above is a representation of a structural model that shows the relationship between the variables "Quality of Service", and "Subscription Decisions". This model uses the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach to test the relationships between latent variables.

4.2 Loading Factor Value Results

Leave variable	Indicators	Loading Factor	Information
Quality of Service	X1. Internet connection speed	0,769	Valid
	X2. Speed of response to disruption	0,752	Valid
	X3. Stability of internet coverage	0,715	Valid
	X4. Communication Clarity	0,793	Valid
	X5. Ease of contact customer service	0,752	Valid
	X6. Hospitality service	0,748	Valid
	X7. Minimal disruption	0,833	Valid
	X8. Billing transparency	0,830	Valid
	X9. Improved service quality	0,811	Valid
Customer Satisfaction	XMed1. Transparency of service information	0,912	Valid
	XMed2. Listening to customer feedback	0,918	Valid
	XMed3. Prioritizing customer convenience	0,913	Valid
	XMed4. Responsive in finding solutions	0,839	Valid

	XMed5. Provide clear explanations of information	0,808	Valid
	XMed6. Speak in a calm tone	0,824	Valid
	XMed7. Price compatibility with quality	0,898	Valid
	XMed8. Ease of use of the internet	0,879	Valid
	XMed9. Customer privacy is maintained	0,782	Valid
Subscription Results	Y1. Trust in internet services	0,801	Valid
	Y2. Attention to customers	0,845	Valid
	Y3. Recommend internet services	0,882	Valid
	Y4. Internet speed offered	0,885	Valid
	Y5. Suitability of services to customer needs	0,847	Valid
	Y6. Positive reviews from other users	0,859	Valid
	Y7. Advising service providers	0,847	Valid
	Y8. Participate in customer satisfaction surveys	0,875	Valid
	Y9. Compare with other internet services.	0,705	Valid

Source : Processed Research, 2025 (Using SmartPLS 3)

In table 4.2 above, it is shown that each indicator in this research questionnaire meets the criteria of convergent validity. Furthermore, to test the convergent validity of a model, the average variance extracted (AVE) criterion is used. The following is a table of AVE values outlined in this study.

Table 4.3 AVE Analysis Results

Variable	Average Variance Extracted (AVE)
Quality of Service	0,706
Customer Satisfaction	0,748
Subscription Results	0,607

Source : Processed Research, 2025 (Using SmartPLS 3)

Based on table 4.3 above, all variables in this study meet the criteria of convergent validity, as shown by the AVE value for each >0.5. It can be concluded that all variables in this study meet the criteria.

Reliability tests using SmartPLS software can be measured using the *Composite reliability. Rule of thumb* alpha value or *Composite reliability* must be greater than 0.7 even if a value of 0.6 is still acceptable (Sembiring, et al., 2022)

Table 4.4 Reliability Test Results

Variable	Composite Reliability	Cronbach' Alpha	Information
Quality of Service	0,933	0,919	Reliable
Customer Satisfaction	0,964	0,957	Reliable
Subscription Results	0,964	0,947	Reliable

Source : Processed Research, 2025 (Using SmartPLS 3)

Based on table 4.4 above, all variable indicators have good reliability, because the combined reliability value for each variable > 0.8. The research data can be said to be reliable because it meets *the criteria of composite reliability*.

Structural Model Testing (Inner Model)

This test was carried out to find out how the construct, significance value, and R-square value of the research model are.

1. *Coefficient of Determination (R2)*

The t-square (R2)) test was performed to measure the accuracy of the model's predictions by calculating the squared correlation between the actual value and the prediction of the endogenous variable. R- Value*Square* between 0-1 indicates how much influence the independent variable has on the dependent variable. Assessment criteria R-*Square* are 0.75 (high), 0.5 (medium), and 0.25 (low) (Sarasi, et al., 2023).

Table 4.5 Table r-square

Variable	R-Square	Information
Customer Satisfaction	0,466	Keep
Subscription Results	0,808	Tall

Source : Processed Research, 2025 (Using SmartPLS 3)

Based on table 4.5, the r-square value (coefficient of determination) of customer satisfaction (M) is 0.466 which means the perceived value of service quality in the medium category. The r-square value for the subscription decision variable (Y) is 0.808 which shows that the perceived value of customer satisfaction and service quality together can affect the quality of service in the high category.

2. *Effect Size (F-Square)*

Test Effect Size *(F-Square)* was carried out to find out how much influence exogenous variables have on endogenous by looking at changes in the R- value*Square*. Category value F-*Square* are 0.02 (small), 0.15 (medium), and 0.35 (large) (Sembiring, et al., 2022).

Table 4.6 Effect Size Results

Variable	X	M	Y
Quality of Service		1,691	0,075
Customer Satisfaction			0,872
Subscription Results			

Source : Processed Research, 2025 (Using SmartPLS 3)

In table 4.6, there are effects size calculations that show that the influence of service quality on subscription decisions with a value of 0.075 can be included in the medium category, and the influence of customer satisfaction on subscription decisions with a value of 0.872 can be categorized as large.

Table 4.7 Summary Matrix of Influences

	Original Sample (O)	Sample Red (M)	Standard Deviation	T Statistic (O/STDEV)	P Value
X > Y	0,164	0,168	0,063	2.585	0,011
M > Y	0,779	0,775	0,057	13.552	0,000
X > M > Y	0,532	0,533	0,049	10.782	0,000

Source : Processed Research, 2025 (Using SmartPLS 3)

Based on Table 4.7, it can be seen that service quality, customer satisfaction have a significant effect on subscription decisions and service quality has a significant effect on subscription decisions through customer satisfaction.

DISCUSSION

The results of this study provide very important insights into Service Quality and Customer Satisfaction for Subscription Decisions, especially for IndiHome customers in Sukabumi City.

1. **The Influence of Service Quality on Subscription Decisions**

Hypothesis testing can be seen from Table 4.7 that the t-statistical value of 2.585 in the hypothesis test between the service quality variables on the subscription decision showed a value of 2.585 > 1.654. Based on the results of the hypothesis test, it shows that there is a significant influence between service quality on subscription decisions. This is in line with the research conducted Fitriansyah, et al. (2020) which shows that the quality of service has a positive and significant effect on subscription decisions.

1. **The Influence of Service Quality on Subscription Decisions**

Hypothesis testing can be seen from Table 4.7 that the t-statistical value of 2.585 in the hypothesis test between the service quality variables on the subscription decision showed a value of 2.585 > 1.654. Based on the results of the hypothesis test, it shows that there is a significant influence between service quality on subscription decisions. This is in line with the research conducted Fitriansyah, et al. (2020) which shows that the quality of service has a positive and significant effect on subscription decisions.

2. **The Influence Of Customer Satisfaction On Subscription Decisions**

Hypothesis testing can be seen from Table 4.7 that the t-statistical value of 13.552 in the hypothesis test between the customer satisfaction variable against the subscription decision showed a value of 13.552 > 1.654. Based on the test results, it can be concluded that there is a positive and significant influence between customer satisfaction and subscription decisions. This is in line with research conducted by Laura & Khotimah (2022) which states that customer satisfaction has a positive and significant effect on subscription decisions.

3. **The Effect of Customer Satisfaction Mediation in the Relationship of Quality of Service on Subscription Decisions**

Testing the hypothesis can be seen from table 4.7 that the t-statistical value is 10,782 > 1,654. Based on the results of the hypothesis test, it is shown that there is a significant influence between service quality on subscription decisions through customer satisfaction. Based on this, it can be interpreted that the influence is not only direct, but also occurs through a mediation mechanism involving customer satisfaction. This means that positive service quality not only builds trust directly, but also indirectly through perceived customer satisfaction, in other words, the better the quality of service provided by the company, the more likely customers are to feel satisfied, and that satisfaction ultimately strengthens the decision to subscribe to the company.

CONCLUSION

1. Service quality has a significant positive influence on subscription decisions. This means that the better the quality of service provided by the company to customers, the more it encourages them to keep subscribing.

2. Customer satisfaction has a significant positive influence on subscription decisions. This means that satisfied customers are more likely to continue using the service by continuing to subscribe.

3. Customer satisfaction can mediate the relationship between service quality and subscription decisions. This means that good service quality not only directly encourages customers to stay subscribed but can also increase customer satisfaction.

REFERENCE

Ani, J., Lumanauw, B., & Tampenawas, J. L. A. (2021). The Influence of Brand Image, Promotion and Service Quality on Consumer Purchase Decisions on Tokopedia E-Commerce in Manado City. *663 EMBA Journal*, *9*(2), 663–674.

Budiman, A., Yulianto, E., & Saifi, M. (2020). The Effect of E-Service Quality on E-Satisfaction and E-Loyalty of Mandiri Online Users. *Profit*, *14*(01), 1–11. https://doi.org/10.21776/ub.profit.2020.014.01.1

Laura, N., & Khotimah, K. (2022). The Effect of Cash on Delivery (COD) Prices and Services on Purchase Decisions with Customer Satisfaction as Moderation. *Seiko*, *5*(c), 140–149. https://journal.stieamkop.ac.id/index.php/seiko/article/view/1873

M. Fitriansyah Eka Putra aZakaria Wahab b, Muchsin Saggaff Shihab c, M. W. (2020). *The Effect of Product Quality and Service Quality on Corporate Consumer Decisions in Using MNC Vision Subscription TV in Palembang City*. *4*(2), 1–15.

Mahira, Hadi, P., & Nastiti, H. (2021). *The effect of product quality and service quality on indihome customer satisfaction*. *2*(1), 1267–1283.

Sarasi, V., Helmi, A., & Burhanudin, A. F. (2023). *Analysis of the Influence of Halal Labeling, Price and Packaging Design on the Purchase of Imported Instant Noodles*. *9*(01), 105–115.

Sembiring, H. J., Lubis, Y., & Akhyar, A. (2022). *THE EFFECTIVENESS OF REHABILITATION CENTERS FOR DRUG ADDICTS IN THE CITY OF MEDAN IS REVIEWED FROM LAW NUMBER 35 OF 2009 CONCERNING NARCOTICS (Case Study at the Medan Yuami Home)*. *4*(2), 167–188.

Mujahidin, Rahmadani, N., & Putri, Q. A. R. (2024). Analysis of the Influence of Religiosity Values In Reducing Consumptive Behavior in Indonesian Muslim Consumers. Amwaluna: Jurnal Ekonomi dan Keuangan Syariah, 8(2), 253-274.

Wulandari, S., Irfan, A., Zakaria, N. B., & Mujahidin. (2024). Survey Study on Fraud Prevention Disclosure Measurement at State Islamic Universities in Indonesia. IQTISHODUNA: Jurnal Ekonomi Islam, 13(1), 327–348. https://doi.org/10.54471/iqtishoduna.v13i1.2305

Sapsuha, M. U., Alwi, Z., Sakka, A. R., & Al-Ayyubi, M. S. (2024). Review of Gold Trading Practices on Credit (non-Cash) Based on Hadith. Al-Kharaj: Journal of Islamic Economic and Business, 6(3).

Majid, N. H. A., Omar, A. M., & Busry, L. H., Mujahidin Reviving Waqf In Higher Education Institutions: A Comparative Review Of Selected Countries. European Proceedings of Social and Behavioural Sciences.

Ishak, I., Putri, Q. A. R., & Sarijuddin, P. (2024). Halal Product Assurance at Traditional Markets in Luwu Raya Based on Halal Supply Chain Traceability. Amwaluna: Jurnal Ekonomi dan Keuangan Syariah, 8(2), 224-240.

K, A. ., Astuti, A. R. T. ., & ., Mujahidin. (2024). The Impact of Word of Mouth and Customer Satisfaction on Purchase Decisions: The Role of Maslahah as an Intervening Variable in the Cosmetic Products Industry in Indonesia. Journal of Ecohumanism, 3(7), 1525–1540. https://doi.org/10.62754/joe.v3i7.4307

Arno, A., & Mujahidin, M. (2024). Enhancing Zakat Management: The Role of Monitoring and Evaluation in the Amil Zakat Agency. Jurnal Economia, 20(3), 397-418. doi:https://doi.org/10.21831/economia.v20i3.53521

Fiqran, M., Mujahidin, M., Bakri, A. N., & Abdulrahman, A. J. A. (2024). Motivation for Waqf in Millennials and Generation Z: Highlighting Religiosity, Literacy and Accessibility. IKONOMIKA, 9(2), 309-332.

Putri, Q. A. R., Fasiha, F., & Rasbi, M. (2024). Affiliate marketing and intention to adopt mudarabah: The mediating role of trust in Islamic financial decision-making. JEMA: Jurnal Ilmiah Bidang Akuntansi Dan Manajemen, 21(2), 337–362. https://doi.org/10.31106/jema.v21i2.23381