

The Effect of Product Quality, Service Quality, and Customer Relationship Management on Customer Loyalty Mediated by Customer Satisfaction of BPJS Employment Branch Office Palembang

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Abstract

This study examines the impact of Customer Relationship Management (CRM), Customer Satisfaction, Product Quality, and Service Quality on Customer Loyalty in a specific company. The aim is to identify the most influential factors in enhancing customer loyalty. The research employs a quantitative survey design, collecting data from 350 customers selected through a purposive sampling technique. Variables include CRM, Customer Satisfaction, Product Quality, Service Quality, and Customer Loyalty, measured using a structured questionnaire. Data analysis utilizes Structural Equation Modeling (SEM) to evaluate relationships among variables and ensure instrument validity and reliability. Key findings reveal that CRM and Customer Satisfaction significantly influence Customer Loyalty, whereas Product Quality and Service Quality show no significant effect. These results underscore the importance of CRM and Customer Satisfaction over traditional drivers, contributing valuable insights for customer retention strategies. This study highlights the evolving dynamics of loyalty in competitive markets, suggesting a shift towards relational and satisfaction-focused management.

Keywords: Customer Relationship, Customer Satisfaction, Product Quality, Service Quality, Customer Loyalty

1. Introduction

Participant satisfaction is a comparison of performance or results with what consumers want, namely a person's emotional level. Therefore, satisfaction results from the difference between achieved performance and expectations (Tešić, 2020). Customer satisfaction helps achieve many important aspects, such as building customer loyalty, improving the company's reputation, reducing price elasticity, and reducing operational and transaction costs in the future, thereby increasing staff efficiency and productivity (Fuchs & Fangpong, 2021; Shih & Montes, 2022). As consumers play an increasingly active role in ensuring their wants and needs are met, competition between businesses increases and customer satisfaction becomes a focus (Demir et

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al., 2020). Satisfaction is the result of consumer evaluation of the performance of a product against consumer expectations. Strategies commonly implemented by businesses and organizations to ensure participant satisfaction (AM et al., 2022; Krizanova et al., 2019). This research refers to three independent variables, namely product quality, service quality, and Customer Relationship Management. One of them is product quality. Product quality reflects a company's ability to perform optimally, including overall durability, reliability, accuracy, ease of use, product repairability, and other product characteristics (Gorji & Siami, 2020). One of the variables that influences consumer satisfaction is service quality.

Service quality is closely related to customer satisfaction. Service quality motivates customers to build long-term, mutually beneficial relationships with the company (Harmen et al., 2022). This emotional connection allows businesspeople to better understand consumer expectations and desires (Cempena et al., 2021). As a result, companies can increase customer satisfaction by maximizing valuable and enjoyable customer experiences and avoiding or minimizing less memorable or unpleasant experiences (Huang et al., 2022). Apart from product and service quality, customer satisfaction can also be achieved through customer relationship management. Customer Relationship Management is the use of CRM programs such as continuity marketing, one to one marketing, and partnering programs to build and maintain long-term, profitable relationships with customers through providing valuable and satisfying services (Pornpitakpan & Han, 2013; Sjödin et al., 2019). Sustainable marketing is about maintaining, building and increasing customer loyalty through specific long-term services.

Customized marketing programs are individually implemented programs designed to meet specific and unique customer needs (Manko, 2022). Cooperatives or joint marketing are cooperation programs between BPJS and other companies to meet customer needs and desires. The Employee Social Security Business Entity is a public service program that provides protection to employees who use social security mechanisms in its implementation (Sakinah & Yunengsih, 2021). The social security system for Indonesian workers includes Work Accident Compensation Guarantee (JKK), Death Guarantee (JKM), Pension Guarantee (JHT), and Pension Guarantee (JP). This plan is a basic protection plan for workers which aims to guarantee safety and certainty in facing socio-economic risks, so that employers can bear the social risks of their workers.

Implementing a social security plan is the state's responsibility to provide social and economic protection to local communities in accordance with the financial capabilities of the Indonesian state and other developing countries, and formulating a social security plan based on the social security plan is one of its tasks (Lasena, 2020). Social insurance that is funded by members is still limited to the public sector worker community. Customer satisfaction is also determined by the employment social security program which can guarantee the survival of workers (Wahyudi, 2022). Therefore, from the explanation above it can be concluded that increasing participant satisfaction can be directly influenced by the social insurance program that the employees themselves participate in. Satisfaction can affect the functionality of a product or service.

From the results of observations carried out at the Palembang branch of BPJS Employment, it was found that there was a lack of interaction between employees. There are no regulations regarding the implementation of employment social insurance and the implementation of the Jamsostek program between employers and workers. Participants also felt dissatisfied with the products and services provided by BPJS Employment, the services provided by BPJS

Employment did not match customer expectations, so participants also felt dissatisfied with the content of the service, because the procedures and time for pension insurance payments were too long and the duration of request execution not being too alert in serving customers so that customers feel that the service provided by BPJS Employment is less than satisfactory. Based on the background above, the author is interested in researching further about The Effect of Product Quality, Service Quality and Customer Relationship Management on Customer Loyalty Mediated by Customer Satisfaction of BPJS Employment Branch Office Palembang.

2. Literature Review

2.1 *The Influence of Product Quality on Customer Loyalty*

Improving product quality is currently a hot topic of discussion, because superior product quality can help you survive the competition (Sari & Nuswantara, 2017). One way to stay ahead of the competition is to retain your existing customers because looking for new customers is more expensive than retaining existing customers (Kaharuddin et al., 2021). Customer satisfaction and loyalty are determined by product quality and price. Each company tries to attract customers in different ways, one of which is by providing information about the quality of its products. Product quality is one of the determining factors for customer loyalty, because if the quality is good then customers will be loyal. Satisfied customers usually buy the same product again (Intarti & Khoriah, 2018). Quality is an important factor in increasing customer satisfaction. So it can be concluded that Product Quality has an influence on Customer Loyalty. This research is in line with research calculation results showing that the influence of product quality with the consumer loyalty variable has a significant effect.

2.2 *The influence of Service Quality on Customer Loyalty*

Service quality refers to the quality of services if consumers expect and perceive and has a significant impact on a company's competitiveness (McIlwraith et al., 2018). Customer loyalty refers to a customer's desire to make repeat purchases and recommend a product to friends and acquaintances. It can be concluded that Service Quality has an influence on Customer Loyalty (Ishlahah & Oktariyanda, 2023). This research is in line with research in research related to customer loyalty which explains that there is service quality which plays a positive and significant role in influencing customer loyalty. Customer Relationship Management is an organizational structure where planning, management before and after implementing proposals to customers is carried out in an integrated system, and operations are carried out based on good relationships with customers. CRM is designed to increase sales by building customer loyalty (Siswadi, SE., MM, 2020). So, it can be concluded that Customer Relationship Management has a significant influence on Customer Loyalty. This research is in line with research conducted by related parties which partially has a significant effect on customer loyalty.

2.3 *The Influence of Product Quality on Customer Satisfaction*

When product quality improves, customer loyalty tends to increase. Improving product quality maintains high customer satisfaction and increases motivation for subsequent purchases (Intarti & Khoriah, 2018). Product quality is also one of the factors that customers consider when making purchasing decisions. Satisfaction occurs when customers actively assess the fact that the product meets their needs (Nurliza & Oktoriana, 2021). Customer satisfaction can be interpreted as a customer's feeling of happiness or disappointment when comparing the customer's perception of the performance of a product or service with the desired expectations (Tariq, 2013). Therefore, customer satisfaction becomes important, leads to the

economic success of the company, and contributes to the company's sustainable development. It can be concluded that there is a significant influence between Product Quality and Customer Satisfaction. This research is in line with research that shows the results of Product Quality have a significant effect on Customer Satisfaction.

2.4 The Influence of Service Quality on Customer Satisfaction

Service quality is determined by the ability of a particular company or institution to meet the needs of customers and visitors, depending on their hopes and desires. Customer satisfaction, on the other hand, is a comparison between expectations and what they feel after using the product (Alimohammadi et al., 2021). It can be concluded that service quality influences customer satisfaction (El-Adly, 2019). Customers can feel that the service provided is in accordance with their needs and are very satisfied. This research is in line with research where the results show that there is a significant influence on service quality and customer satisfaction.

2.5 The Influence of Customer Relationship Management on Customer Satisfaction

Customer relationship management (CRM) aims to increase customer satisfaction with the products or services provided by the company. Through CRM, companies can develop closer relationships with consumers by discovering their needs and offering product and service options that match those desires. Consumers feel satisfied when the company knows exactly what its customers need. It can be concluded that Customer Relationship Management has a significant influence on Customer Satisfaction. This research is in line with research which shows that there is a significant positive relationship between CRM and customer satisfaction.

2.6 The Influence of Customer Satisfaction on Customer Loyalty

Customer satisfaction highlights that customer satisfaction is a moderating variable of the relationship between value in brand experience and customer engagement. Satisfaction can only be met when the performance produced by the company exceeds customer expectations. Customer loyalty is reflected in the tendency of a customer to choose a product or service from a brand again without considering other brands on the market (Cempena et al., 2021). This happens because customers are satisfied with their previous experience with the brand, both in terms of product or service quality, price, customer service and other added value. It can be concluded that customer satisfaction has a significant influence on customer loyalty (Wilson, 2019). This research is in line with research which shows a positive and significant relationship between customer satisfaction and customer loyalty.

2.7 The influence of Customer Satisfaction is a mediator on Product Quality work on Customer Loyalty

Customer satisfaction is a comparison between expectations and what they feel after using the product. Product quality refers to the functional and psychological benefits that a product provides and is the most important criterion when purchasing. A product is said to be of high quality if it can perform its function satisfactorily. Does the product provide benefits and satisfy consumers according to product specifications? Customer loyalty refers to a customer's desire to buy a product again and again over a long period of time and to recommend the product to friends and acquaintances. It can be concluded that Customer Satisfaction, Product Quality and Customer Loyalty have a relationship that influences each other, if the quality of service is good then customer loyalty will increase and so will product quality. If the product quality is good, customer loyalty will increase (Andani & Wahyono, 2018; Minh et al., 2015). Which means

there is a significant influence on Customer Satisfaction which is a mediator of Product Quality work on Customer Loyalty.

2.8 The influence of Customer Satisfaction is a mediator on Service Quality work on Customer Loyalty

Satisfaction is a person's feeling of happiness or disappointment that occurs after comparing performance, results, or expected results. Before consumers gain loyalty, they must first obtain satisfaction that is close to their desires. Quality service plays an important role in shaping customer satisfaction and is also closely related to company profits. The higher the quality of service provided by a company, the higher the customer satisfaction (Kankam, 2022). Loyalty is a firm commitment to repurchase a selected product or service in the future despite situational influences or marketing efforts that may cause a change in behavior (Sharma & Srivastava, 2018). If consumers are satisfied, loyalty will continue. On the other hand, they will become disloyal if the service product they receive does not meet their expectations. It can be concluded that Customer Satisfaction, Service Quality and Customer Loyalty influence each other, meaning that there is an influence of Customer satisfaction as a mediator on Service Quality work on Customer Loyalty.

2.9 The influence of Customer Satisfaction is a mediator in Customer Relationship Management on Customer Loyalty

Customer satisfaction is a feeling of pleasure or disappointment that arises when comparing their perception of the performance (results) of a product with their expectations. CRM is the process of building relationships between a company and its customers by increasing customer satisfaction and creating optimal value for customers (Nunan et al., 2018). Business people need to pay attention to how they communicate with customers, how they market their products/services, and how they serve customers through traditional media such as products, prices, promotions and distribution (Arora & Narula, 2018). Building customer loyalty is one of the keys to a company's success, and this strategy allows companies to understand what their consumers want and provide added value to the products and services offered so that customers continue to buy their products and services. It can be concluded that Customer Loyalty, Customer Relationship Management and Customer Loyalty influence each other, meaning that there is a significant influence on Customer Satisfaction which is a mediator in Customer Relationship Management on Customer Loyalty.

3. Research Method

3.1 Research Design

This research is a quantitative survey (Creswell, 2022) that focuses on the influence of product quality, service quality, and customer relationships as independent variables, on customer loyalty as the dependent variable, with customer satisfaction as a mediating variable.

3.2 Population and Sample

The population in this study were all participants of BPJS Ketenagakerjaan Palembang Branch. The research sample consisted of 108 people selected using probability sampling techniques, specifically the simple random sampling method. Sample selection was carried out randomly from the available population list, so that everyone in the population has an equal chance of being selected as a respondent. Determination of sample size was carried out by considering the feasibility and representation of the research population.

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3.3 Techniques of Data Collection

Data was collected through a questionnaire that reflects respondents' concerns and opinions regarding work stress and workload performance as well as job satisfaction of BPJS Employment employees. This questionnaire is filled out by putting a checklist mark (✓) in the column selected by the respondent.

3.4 Techniques of Data Analysis

Data analysis was carried out using the Structural Equation Model Partial Least Square (SEM-PLS) method with the help of SmartPLS software. This model consists of two main parts: a Measurement Model (Outer Model) which evaluates the validity and reliability of indicators, and a Structural Model (Inner Model) which assesses the relationship between latent variables (Anwar et al., 2024). The validity test was carried out by measuring convergent validity, discriminant validity and composite reliability, while the significant relationship test between latent variables was carried out using the t-statistical test via the bootstrap method (AM et al., 2023; Am & Setiawati, 2023). In addition, model quality is evaluated using measures such as R², effect size (f²), predictive relevance (Q²), and Goodness of Fit Index (GoF).

4. Findings and Discussions

4.1 Outer Model

In this outer model analysis, researchers use three measurement criteria to measure the outer model, namely convergent validity, discriminant validity and composite reliability. The structural model before outlier and after outlier is as follows:

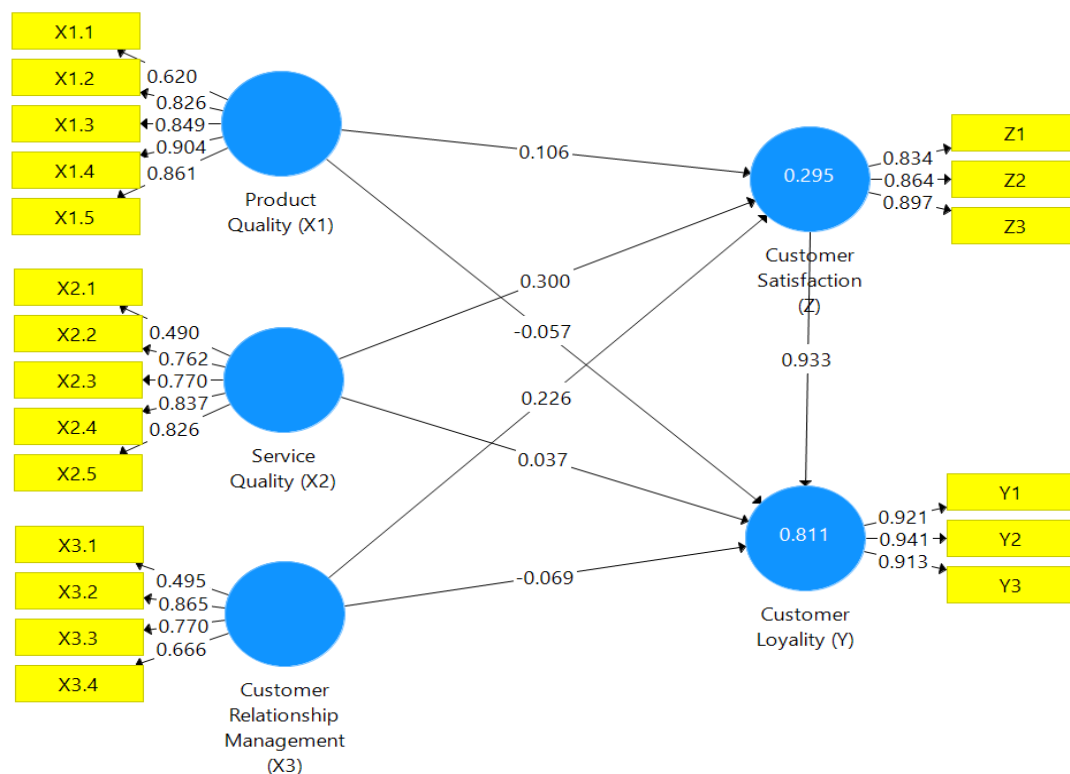


Figure 1. Outer loading before outliers

Source: Output SmartPLS 3 Version

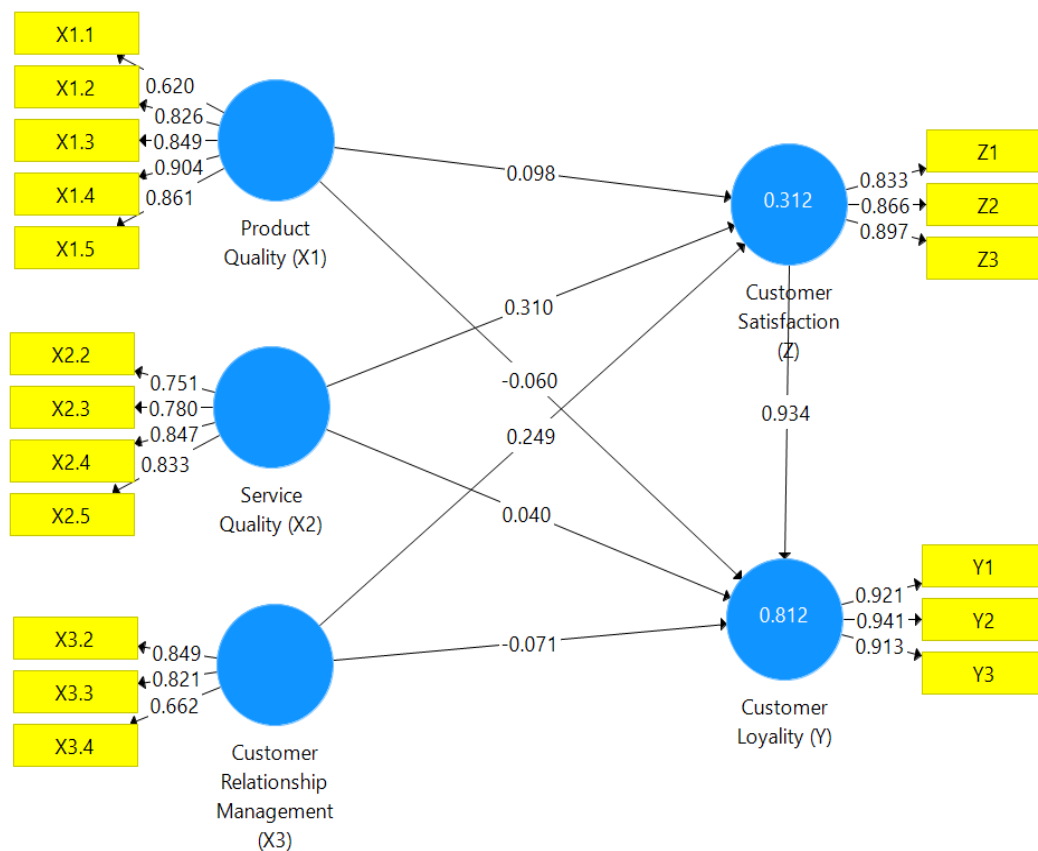


Figure 2. Outer Loading After Outlier.

Source: Output SmartPLS 3 Version

4.1.1 Convergent Validity Test

In testing the convergent validity of the measurement model using a reflective type of indicator, it is based on individual item reliability tests using standard loading factors which represent the magnitude of the correlation between each indicator and the variable. Researchers used the criteria for a loading factor value > 0.50 because the reported value was considered sufficient. It can be seen from the results of the following analysis:

Table 1. Convergent Validity

Items	Customer Loyalty (Y)	Customer Relationship Management (X3)	Customer Satisfaction (Z)	Product Quality (X1)	Service Quality (X2)
X1.1				0.620	
X1.2				0.826	
X1.3				0.849	
X1.4				0.904	
X1.5				0.861	
X2.2					0.751

X2.3		0.780
X2.4		0.847
X2.5		0.833
X3.2	0.849	
X3.3	0.821	
X3.4	0.662	
Y1	0.921	
Y2	0.941	
Y3	0.913	
Z1		0.833
Z2		0.866
Z3		0.897

Source: Output SmartPLS 3 Version

Table 1 shows that some of the indicators observed have loading factors that exceed the predetermined criteria, namely more than 0.50 because the 0.50 criterion is considered sufficient. For several variables such as customer loyalty, customer satisfaction and service quality it exceeds 0.70. Therefore, it can be concluded that these results identify the consistency and reliability of the measurements used in assessing the variables in the study. Thus, the convergent validity results provide confidence about the quality of the variable measurements used in the research and confirm that the variables reflect good Customer Loyalty.

4.1.2 Discriminant Validity

Distriminant validity is used to test whether the indicators of one construct are not highly correlated with indicators of other constructs. Where we have to pay attention to the heterotrait ratio (htmt) value for each pair of variables (Anwar et al., 2024). Researchers use criteria, namely the htmt value must be smaller than 0.90 to confirm that the constructs measured by the instrument are unique and different from one another. Table 2 presents the results of discriminant validity analysis, namely as follows:

Table 2. Discriminant Validity

Variables	Customer Loyalty (Y)	Customer Relationship Management (X3)	Customer Satisfaction (Z)	Product Quality (X1)	Service Quality (X2)
Customer Loyalty (Y)	0.925				
Customer Relationship Management (X3)	0.360	0.782			
Customer Satisfaction (Z)	0.897	0.470	0.866		
Product Quality (X1)	0.296	0.500	0.395	0.818	
Service Quality (X2)	0.437	0.555	0.503	0.558	0.804

Source: Output SmartPLS 3 Version

From the results of the analysis in the table above, it shows that all pairs analyzed have met the discriminant validity criteria with an htmt value of less than 0.90, this shows that the constructs measured by the instrument are unique and different from each other. It can be concluded that the measurement instrument used is capable of distinguishing between different cankers in this analysis. Thus, the results of this discriminant validity analysis provide confidence that the variables analyzed are unique and different, and there is no overlap between the constructs measured by the instrument.

4.1.3 Reability Composite

Reability composite is used to evaluate how reliable a measurement instrument is. Table 3 presents the analysis results from the reliability test for the observed variables, including product quality, service quality, customer relationship management, customer satisfaction and customer loyalty variables. In this analysis, we pay attention to the Cronbach's, rho_A, composite reliability and AVE values to assess the reliability of the instrument used. The criteria used are that the AVE value must be greater than 0.50, while the Cronbach's Alpha and composite reliability (rho_c) values must be greater than 0.70 to indicate adequate level of reliability. The results of the analysis are as follows.

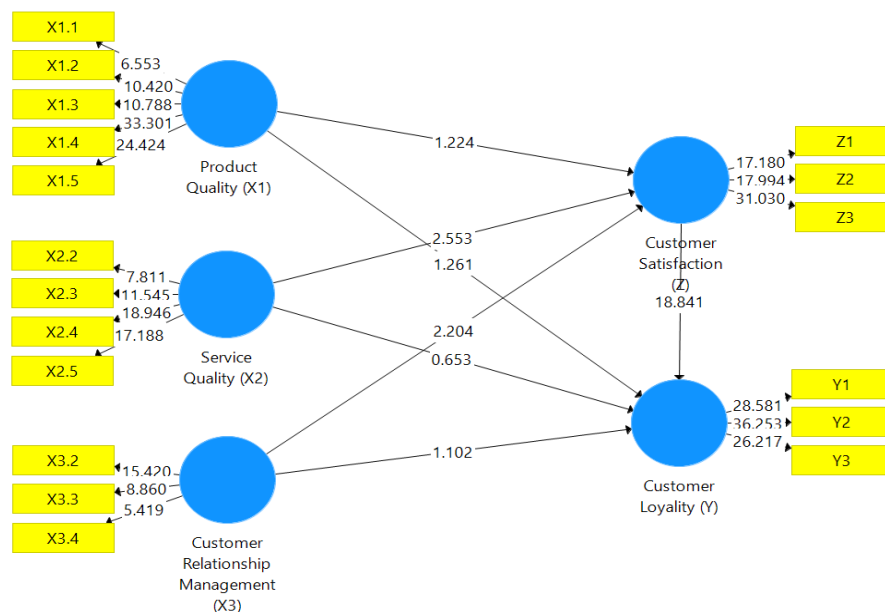
Table 3. Reality Composite

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Customer Loyalty (Y)	0.916	0.918	0.947	0.856
Customer Relationship Management (X3)	0.697	0.752	0.824	0.611
Customer Satisfaction (Z)	0.833	0.846	0.900	0.750
Product Quality (X1)	0.877	0.945	0.909	0.669
Service Quality (X2)	0.818	0.827	0.879	0.646

Source: Output SmartPLS 3 Version

The results of the analysis above show that all the variables analyzed have met the predetermined reliability criteria. For example, the customer validity variable has a Cronbach's Alpha value of 0.916, rho_A of 0.918 while the Composite Reability (rho_c) and AVE values are 0.947 and 0.856. Likewise, other variables have met the reliability criteria. It can be concluded that the measurement instrument used in this research is reliable in measuring the variables analyzed. The results of the composite reliability analysis can provide confidence in the reliability of the measurement instrument and the validity of the construct used.

4.2 Inner Model



4.2.1 Multicollinearity Test

The multicollinearity test is used to evaluate how strong the relationship is between the independent variables in the regression model. Collinearity statistics (VIF) for each independent variable measures how much of the variance of the independent variable can be explained by other independent variables in the model. The criterion used is that the VIF value must be less than 10 to determine that there is no significant multicollinearity problem in the regression model. From the results of the analysis above, it can be seen that overall there is no multicollinearity in the indicators because the VIF value is <10 . So it can be concluded that the results of this multicollinearity test mean that the regression model can be relied on in analyzing the relationship between the variables in this research.

4.2.2 Coefficient of Determination

The coefficient of determination is an important metric in evaluating how well a regression model fits the data being analyzed. The criteria used to assess the strength of the model are that the R Square value should be between 0.25 to 0.50 to indicate a moderate model, and a value above 0.50 indicates a strong model. It can be seen from the results of the following analysis.

Table 4. R Square

Variables	R Square	Adjusted R Square
Customer Loyalty (Y)	0.812	0.804
Customer Satisfaction (Z)	0.312	0.290

Source: Output SmartPLS 3 Version

From the results of the analysis above, it shows that the coefficient of determination (R Square) for the customer loyalty variable is 0.812, while the Adjusted R Square is 0.804. This shows that the model built explains around 81.2% of the variability in the customer loyalty variable. Thus, this value means that this model has a strong model in explaining the loyalty variable.

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For customer satisfaction, the coefficient of determination (R Square) is 0.312 and the adjusted R Square is 0.290. This shows that the model built explains around 31.2% of the variability in the customer satisfaction variable. With this value, it can be said that this model has a moderate model in explaining the customer satisfaction variable. Therefore, it can be concluded that the results of this analysis are able to provide confidence that the regression model used is able to explain the customer loyalty variable well.

4.2.3 Effect Size

Effect Size is used to evaluate how much influence the independent variable has on the dependent variable in the regression model. The criteria used to assess effect size are that an F Square value of 0.02 indicates a small or low impact, a value of 0.15 indicates a medium or medium impact, and a value of 0.35 indicates a large or strong impact. With this framework, the results of the following analysis can be explained. Table 4.6 explains the F Square value for the customer loyalty variable and customer satisfaction variable.

Table 5. F Square

Variables	Customer (Y)	Loyalty	Customer (Z)	Satisfaction
Customer Relationship Management (X3)	0.016			0.058
Customer Satisfaction (Z)	3,184			
Product Quality (X1)	0.012			0.009
Service Quality (X2)	0.005			0.082

Source: Output SmartPLS 3 Version

From the results of table 5, the analysis above shows that the customer relationship management variable has an F Square value of 0.016, which shows that this variable has a moderate impact on customer loyalty and on customer satisfaction it has a large impact, namely 0.058. For product quality it has an F Square value of 0.012 and for customer satisfaction it is 0.009 which shows a weak impact, for the service quality variable it has an F Square value of 0.005 showing a weak impact on customer loyalty and for customer satisfaction it has a strong impact, with a value of 0.085. From this analysis, to improve customer loyalty and need to pay attention to customer relationship management, product quality and service quality.

4.3 Proving Hypothesis

4.3.1 Direct Effect (Path Coefficient)

Table 6 presents the path coefficient values for each hypothesis tested, including product quality, service quality, customer relationship management, customer satisfaction and customer loyalty. The criteria used to determine the significance of the direct effect are that a P-Value value of less than 0.05 indicates a significant effect, while a P-Value value of greater than 0.05 indicates an insignificant effect.

Table 6. Path Coefficients

Path Analysis	T Statistics	P Values	Information
Customer Relationship Management (X3) -> Customer Loyalty (Y)	1,102	0.271	Not Significant

Customer Relationship Management (X3) -> Customer Satisfaction (Z)	2,204	0.028	Significant
Customer Satisfaction (Z) -> Customer Loyalty (Y)	18,841	0,000	Significant
Product Quality (X1) -> Customer Loyalty (Y)	1,261	0.208	Not Significant
Product Quality (X1) -> Customer Satisfaction (Z)	1,224	0.222	Not Significant
Service Quality (X2) -> Customer Loyalty (Y)	0.653	0.514	Not Significant
Service Quality (X2) -> Customer Satisfaction (Z)	2,553	0.011	Significant

Source: Output SmartPLS 3 Version

Based on the results of the analysis that has been carried out, the influence of product quality on customer loyalty shows that P Value > 0.05, which means that product quality does not have a significant influence on customer loyalty. This can be seen from the results of the t-statistics value of 1.224 and the P value of 0.208. Therefore, Hypothesis 1 (H1) is rejected. The results of this research are not in line with research conducted by (Khairawati, 2019). The calculation results show that the influence of product quality on the consumer loyalty variable has a significant effect. This proves that the product quality of BPJS Employment Palembang Branch is lacking, therefore it is necessary to improve product quality so that BPJS participants feel that what they want is appropriate. If product quality is low, then customer loyalty will be low.

Based on the results of the analysis carried out by researchers regarding the influence of service quality on customer loyalty, it shows that P Value > 0.05, which means that service quality does not have a significant influence on customer loyalty. This can be seen from the results of the t-statistics value of 0.653 and the P value of 0.514. Therefore hypothesis 2 (H2) is rejected. The results of this research are not in line with research conducted in research related to customer loyalty which explains that there is service quality which plays a positive and significant role in influencing customer loyalty. This shows that the service quality of BPJS Employment Palembang Branch is lacking in terms of customer loyalty, meaning that service quality needs to be emphasized so that BPJS participants feel good service and what the BPJS participants expect is in line with their expectations. If service quality is low, then customer loyalty will also be low.

Based on the results of the analysis carried out by researchers regarding Customer Relationship Management's influence on Customer Loyalty, it shows that the P Value is > 0.05, which means that Customer Relationship Management does not have a significant influence on customer loyalty. This can be seen from the results of the t-statistics value of 1.102 and the P value of 0.2271, so Hypothesis 3 (H3) is rejected. The results of this research are not in line with research conducted by (Nanda Vinilia Putri, 2023) related parties with partial significant influence on customer loyalty. This shows that the Customer Relationship Management of BPJS Employment Palembang Branch needs to be improved so that BPJS participants can feel the comfort provided by BPJS Employment, because this can influence customer loyalty. If Customer Relationship Management is low then customer loyalty will decrease.

Based on the results of the analysis that has been carried out regarding the influence of product quality on customer satisfaction, it shows that the P value is >0.05, which means that the

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influence of product quality does not have a significant influence on customer satisfaction. This can be seen from the t-statistics value of 1.224 and the P value of 0.222. Therefore hypothesis 4 (H4) is rejected. The results of this research are not in line with research conducted by (Pribanus Wantara, 2019) which shows that the results of Product Quality have a significant effect on Customer Satisfaction. This shows that the results of the BPJS Employment Palembang Branch product quality need to be improved further so that BPJS participants can experience the products given to them. This greatly affects customer satisfaction. If the product quality does not match the expectations of BPJS participants, then participant satisfaction will also be less with the BPJS Employment Branch. Palembang.

Based on the results of the analysis carried out by researchers regarding the influence of service quality on customer satisfaction, it shows that the P value is <0.05 , which means that service quality has a positive and significant influence on customer satisfaction. This can be seen from the t-statistics value of 2.553 and the P value of 0.011. This means that hypothesis 5 (H5) is accepted. The results of this research are in line with research conducted by (Fauzi et al., 2020) where the research results show that there is a significant influence on service quality and customer satisfaction. This shows that the service quality of BPJS Employment Palembang Branch has met the expectations of BPJS participants. Which provides good quality service to BPJS participants and provides the results expected by BPJS participants. If service quality is good, customer satisfaction will also increase.

Based on the results of the analysis carried out by researchers regarding the influence of Customer Relationship Management on customer satisfaction, it shows that the P value is <0.05 , which means that Customer Relationship Management has a positive and significant influence on Customer satisfaction. This right can be seen from the t-statistics value of 2.204 and the P value of 0.028. This means that hypothesis 6 (H6) is accepted. The results of this research are in line with research conducted by (Prentice et al., 2020) showing that there is a significant positive relationship between CRM and customer satisfaction. This shows that the Customer Relationship Management of BPJS Employment Palembang Branch is quite good at serving BPJS participants and providing good service for BPJS participants. This can provide high satisfaction for BPJS Employment Palembang Branch participants. If Customer Relationship Management is good, then customer satisfaction will also increase.

Based on the results of the analysis carried out by researchers regarding the influence of customer satisfaction on customer loyalty, it shows that the P value is <0.05 , which means that customer satisfaction has a positive and significant influence on customer loyalty. This can be seen from the t-statistics value of 18.841 and the P value of 0.000. The results of this research are in line with research conducted by which shows a positive and significant relationship between customer satisfaction and customer loyalty. This shows that customer satisfaction has a very big relationship with customer loyalty. It can be concluded that BPJS participants are very satisfied with BPJS Employment Palembang Branch which provides good service to BPJS participants. So, if customer satisfaction increases, customer loyalty will also be higher.

4.3.2 Indirect Effects

Indireict effieiet analysis beirguina uintuik meinguiji the hypothesis of influence is not direct according to the variable that impeingaruihi (eiksogein) against the inteirveining variable (eindogein) which is mediated by suiatui inteirveining variable (mediation variable). The criteria used to determine the significance of the direct effect are that a P-Value value of less than 0.05 indicates a significant effect, while a P-Value value of greater than 0.05 indicates an

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insignificant effect.

Table 7. Path Coefficients

Path Analysis	T Statistics	P Values	Information
Customer Relationship Management (X3) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	2,138	0.033	Significant
Product Quality (X1) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	1,206	0.228	Not Significant
Service Quality (X2) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	2,658	0.008	Significant

Source: Output SmartPLS 3 Version

Based on the results of the analysis carried out by researchers regarding customer satisfaction which is a mediator in the influence of work product quality on customer loyalty, it shows a P value > 0.05 , which means that Customer Satisfaction is not a mediator and has no significant effect on product quality on Customer Loyalty. It can be seen from the results of the t-statistics value of 1.206 and the P value of 0.228. It can be concluded that customer satisfaction of BPJS Employment Palembang Branch does not mediate product quality on customer loyalty, meaning that it is necessary to increase product quality to increase satisfaction of BPJS participants and likewise customer loyalty and product quality, both BPJS participants will feel high loyalty towards BPJS Employment Palembang Branch (Aristiawan & Istiyono, 2020; Tungpantong et al., 2022).

Based on the results of the analysis carried out by researchers regarding Customer Satisfaction as a mediator on the influence of work Service Quality on Customer Loyalty, it shows a P Value of < 0.05 , which means that Customer Satisfaction can mediate and have a significant positive influence on service quality on Customer Loyalty. With a t-statistics value of 2.658 and a P value of 0.008. This shows that customer satisfaction of BPJS Employment Palembang Branch can mediate the influence of service quality. This means that the service quality of BPJS Employment Palembang Branch is very good so that BPJS participants feel the service they want and provide high loyalty to BPJS Employment Palembang Branch.

Based on the results of the analysis carried out by researchers regarding Customer Satisfaction as a mediator on the influence of Customer Relationship Management on Customer Loyalty, it shows a P value < 0.05 , which means that Customer Satisfaction is a mediator and has a significant positive influence on Relationship Management on Customer Loyalty. With a t-statistics value of 2.138 and a P value of 0.033 (hypothesis 10 is accepted). This shows that the Customer Relationship Management of BPJS Employment, Palembang Branch is good and meets the expectations of BPJS participants so that what is provided by BPJS Employment makes participants very satisfied with the services provided and can increase consumer loyalty.

5. Conclusion

Based on the results of the research that has been conducted, it can be concluded that the Customer Relationship Management (CRM) and Customer Satisfaction variables have a significant influence on Customer Loyalty, while Product Quality and Service Quality do not show a significant influence. This indicates that increasing customer loyalty is more influenced by managing customer relationships and the satisfaction they feel, rather than the quality of the

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product or service provided. In addition, the results of the outer model analysis show that the measurement instruments used in this research are valid and reliable, both in terms of convergent, discriminant validity and composite reliability, so they can be relied on to measure the variables studied.

As a suggestion, this research provides recommendations for companies to focus more on strategies to improve Customer Relationship Management and Customer Satisfaction to increase customer loyalty. Improving the quality of customer interactions and experiences with a company can be key in maintaining and strengthening customer loyalty. In addition, it is recommended to conduct further research by considering other factors that might influence customer loyalty, as well as expanding the research sample so that the results obtained are more generalizable. Further research could also explore the use of different approaches in analyzing the relationship between these variables, such as considering mediating or moderating factors that can provide deeper insight into the dynamics of customer loyalty

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