



## Increasing Repurchase Intention on Garuda Indonesia Airlines at Soekarno-Hatta International Airport

Made Dian Adi Wisnawan<sup>1</sup>, Avira Mulia Revany<sup>2</sup>, Erwin R. Manurung<sup>3</sup>, Sinai Handayani<sup>4</sup>

<sup>1</sup>Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia, [madedian61@gmail.com](mailto:madedian61@gmail.com)

<sup>2</sup>Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

<sup>3</sup>Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

<sup>4</sup>Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

Corresponding Author: [madedian61@gmail.com](mailto:madedian61@gmail.com)<sup>1</sup>

**Abstract:** This study aims to examine the effect of service quality and price perceptions on repurchase intention through customer satisfaction on Garuda Indonesia airlines at Soekarno Hatta International Airport due to a decrease in the number of passengers from 2019 to 2021 and only increased in 2022 but not yet significant. The sample of this study were 160 respondents who used Garuda Indonesia airline. Data analysis using Structural Equation Modeling-Partial Least Square (SEM-PLS 4.0). The results of this study indicate that service quality has a positive and significant effect on repurchase intention. Price perception has a positive and significant effect on repurchase intention. Customer satisfaction has a positive and significant effect on repurchase intention. Service quality has a positive and significant effect on customer satisfaction. Price perception has a positive and significant effect on customer satisfaction. The results of this study can serve as a basis for Garuda Indonesia to increase repurchase intention by considering service quality and price perceptions that are aligned with the benefits.

**Keywords:** service quality, price perception, customer satisfaction, repurchase intention, garuda indonesia

### INTRODUCTION

The Indonesian aviation industry is currently growing rapidly. Airlines are now facing more competition, which is forcing companies to improve their services and innovation to attract and retain customers. According to the Indonesian National Air Carriers Association (INACA), passengers are divided into three service categories, namely Low-Cost Carrier (55%), Medium Service (14%), and Full Service (31%), with this it can be concluded that the majority of passengers are price sensitive (INACA, 2022).

Full service airlines such as Garuda Indonesia and Batik Air strive to gain market share in fierce competition. Garuda Indonesia is known for charging premium fares for

superior service, Garuda Indonesia has adopted measures in reducing costs and implementing operational efficiency strategies to remain profitable. The decline in domestic travel when airlines started charging for paid baggage in late 2018 and early 2019 showed the domestic market's sensitivity to prices (INACA, 2022). Garuda Indonesia is trying to rebuild customer repurchase intention and recover from a decline in passenger numbers despite several obstacles including price sensitivity and the COVID-19 outbreak.

Garuda Indonesia's domestic flights experienced a decline in the number of passengers in 2019 to 2021, after carrying 15.40 million passengers in 2019, while in 2020 it became 4.54 million passengers and 3.33 million passengers in 2021. Government efforts to slow the spread of the virus and the COVID-19 pandemic is the cause of this decline. As the airline begins to recover from difficulties caused by the pandemic in the previous year, the number of passengers on Garuda Indonesia will increase by 4.79 million and 6.61 million passengers in 2022 and 2023 (Garuda Indonesia, 2023).

The Department of Transportation (DEPHUB) has provided information comparing 2022 and 2023 regarding timeliness, delays and cancellations of flights in Indonesia. The airline comparison is shown in the following table.

**Table 1. Comparison between airlines in Indonesia in 2022 and 2023**

No	Airline	Total Flight	On time		Lateness		Cancellation	
			Amount	%	Amount	%	Amount	%
1	Garuda Indonesia	50.900	44.682	87.78	6.211	12.2	7	0.01
2	Batik Air	87.157	65.274	74.89	20.331	23.33	1.552	1.78
3	Transnusa	8.252	4.166	50.48	1.809	21.92	2.277	27.59
4	Super Air Jet	67.162	47.698	71.02	19.427	28.93	37	0.06
5	Sriwijaya Air	6.616	5.271	79.67	1.287	19.45	58	0.88

Source: Statistics Book (Direktorat Angkutan Udara, 2023)

Based on the table above, Garuda Indonesia has 50,900 flights with punctuality of 87.78%, delays of 12.2%, and cancellations of 0.01% from 2022–2023. This percentage is higher than its competitors, which shows that Garuda Indonesia has good service quality (Direktorat Angkutan Udara, 2023).

Based on the data above, factors causing airline delays include Technical Operations (54,515), Airlines Management (43,430), Weather (8,591), and Other Factors (15,032) (Direktorat Angkutan Udara, 2023). According to (Telagawathi et al., 2019) Delays can affect consumer satisfaction and repurchase intention. Although Garuda Indonesia is known for its quality service, research by (Simanjutak et al., 2024) shows that setting prices in accordance with service quality and company performance can increase customer satisfaction. When a company succeeds in providing quality service, customers tend to feel satisfied and are encouraged to make repeat purchases.

According to data released by the Indonesia Internet Service Providers Association (APJII) in September 2023, Garuda Indonesia is not included in the top ten airlines with the most passengers in ASEAN, even though it has extraordinary service. Competitors such as

Batik Air with 1.78 million passengers are in fifth place (Katadata, 2023). This difference can give rise to customer perceptions that prioritize price and high quality service.

Repurchase intention refers to consumers' desire to purchase certain goods or services again, which is influenced by their previous experiences. Research by (Khanijoh et al., 2020) shows that customer satisfaction is a key factor influencing repurchase intention, which directly contributes to the long-term success of a platform. (Anjani, 2021) also found that the quality of service, products and customer support significantly influences consumer satisfaction, which then has a positive impact on the intention to repurchase. (Yasri et al., 2020) added that consumers' perceptions of price play an important role in increasing their interest in repurchasing.

This research aims to determine the influence of service quality and price perception on repurchase intention as well as the relationship between service quality and price perception and customer satisfaction, as well as the influence of service quality and price perception on repurchase intention through customer satisfaction at Garuda Indonesia airlines.

## **Literature Review**

### **Service Quality**

Service quality (SQ) is a measure of how good and efficient the service provided to customers is in accordance with their expectations, Tjiptono & Chandra in (Sukmawati et al., 2022). Tjiptono in (Irwansyah, 2022) says that quality affects many aspects of service, including meeting customer needs, which leads to more satisfied customers and fewer complaints. Tangible, Reliability, Responsiveness, Assurance, and Empathy are the five dimensions included in the traditional service quality model of Parasuraman et al. in (Dam et al., 2021).

### **Price Perception**

Price is very important for market demand and purchase decisions, Khayru et al., in (Essardi et al., 2022). According to Petrick in (Fitri et al., 2023). Price perception includes customer sacrifices both in the form of monetary and non-monetary value. Suryani in (Putera et al., 2022) said that price perception is a process that involves physiological aspects, including the existence of an organization, as well as the activity of selecting and interpreting stimuli, which allows consumers to assign meaning to an object. According to Kotler and Keller in (Kusmayanti, 2022), indicators such as price affordability, price competitiveness, price benefit match, and price quality match.

### **Customer satisfaction**

In accordance with Kotler as quoted in (Irwansyah, 2022) Satisfaction is an emotional response that arises after comparing the performance of a product or service with user expectations. According to Kotler and Keller in (Cahyanto et al., 2022), high satisfaction increases the likelihood that customers will become loyal and return to purchase the product. If consumers are satisfied with a product, they are more likely to continue buying it and using it sustainably, as well as sharing their positive experiences with others (Putera et al., 2022). Three indicators of customer satisfaction are identified by Taylor and Baker in (Setiawan et al., 2021). They are satisfaction with the service, fulfillment of expectations, and a positive experience.

### **Repurchase Intention**

Repurchase intention is the desire to buy goods or services repeatedly over a specific period. It reflects consumers willingness to return to a store where they had positive previous experiences, as explained by Copeland in (NGUYEN et al., 2021). According to Hong et al., in (Shabankareh et al., 2024) state that customers develop repurchase intentions based on

their initial experiences with a brand. Hellier et al., in (Wang et al., 2023) understanding repurchase intention is crucial for businesses to maintain profitability and competitive advantage. Companies need to grasp the factors influencing repurchase intentions and develop effective strategies. Ferdinand in (Febriani et al., 2021) identified four dimensions of repurchase intention: transactional interest, preferential interest, referential interest, and exploratory interest.

### **Hypothesis and Research Model**

#### **The Relationship between Service Quality and Repurchase Intention**

Based on previous research conducted by Raihana and Setiawan in (Mahendrayanti et al., 2021). Service quality has a positive impact on repurchase intention. According to Hellier *et al.*, in (Anjani, 2021b) The decision to repurchase goods or services based on the shopping experience is known as “repurchase intention”. According to Harfaniah in (Mahendrayanti et al., 2021). Service quality has a significant influence on making customers more satisfied and willing to make repeat purchases. Therefore, better service quality increases repurchase intention. So, we hypothesize as follows:

H1: Service quality has a positive effect on repurchase intention.

#### **The Relationship between Price Perception and Repurchase Intention**

According to Kotler and Keller in (Siaputra, 2024), price setting is a marketing strategy employed for various objectives, including attracting new customers, encouraging them to try new products, increasing purchase frequency, and promoting repeat purchases. Several studies, including one by Petrick and Ladhari in (Mahendrayanti et al., 2021), have found a positive correlation between price perception and repurchase intention. Similarly, (Salem et al., 2022) also identified a positive relationship between price perception and the intention to repurchase. Therefore, if each customer's price perception is well received, it will increase consumers repurchase intention. Based on the statement above, we hypothesize the following:

H2: Price perception has a positive effect on repurchase intention.

#### **The Relationship between Service Quality and Customer Satisfaction**

Many studies have shown that good service quality has a positive correlation with customer satisfaction. For example, research by (Uzir et al., 2021) found that service quality has a significant and positive influence on customer satisfaction, and research by (Balinado et al., 2021) also supports this finding, concluding that good service quality has a positive correlation with customer satisfaction. Therefore, it can be concluded that improving service quality will likely increase customer satisfaction. Based on these findings, we propose the following hypothesis:

H3: Service quality has a positive effect on customer satisfaction.

#### **The Relationship between Price Perception and Customer Satisfaction**

According to several research results, the relationship between price perception and customer satisfaction. One of them is research conducted by Fauziyah and Tjahjaningsih in (Rosyihuddin et al., 2022). This research shows that price perceptions have a positive and significant effect on customer satisfaction. According to Efendi et al., in (Rivai et al., 2021), customers will make product purchasing decisions based on their perception of price and quality that suit their needs. Therefore, when the price offered for a service is perceived to be consistent with the consumer's expected value, customer satisfaction is likely to increase, so we hypothesize the following:

H4: Price perception has a positive effect on customer satisfaction.

### Relationship between Customer Satisfaction and Repurchase Intention

According to several studies, customer satisfaction increases repurchase intention. One of them is Huang's research in depth (Fared et al., 2021) found that customer satisfaction has a significant and positive effect on repurchase intention. This finding is supported by Liang *et al.* in (Majeed et al., 2022), which shows that customer satisfaction drives customer perceptions of repurchase intention. Therefore, if customers are satisfied with the goods or services they purchased, they are more likely to buy again. So, the hypothesis that can be put forward is as follows:

H5: Customer satisfaction has a positive and significant effect on repurchase intention.

### The relationship between Service Quality and Repurchase Intention through Customer Satisfaction

Customer satisfaction acts as a mediating variable between service quality and repurchase intention, suggesting that good service enhances customer satisfaction, which encourages repeat purchases. According to (Hariyanto et al., 2022) service quality positively and significantly influences repurchase intentions through customer satisfaction. Similarly, Research by Jocellynne in (Wahyuni, 2021) supports this, showing a positive impact of service quality on repurchase intention mediated by customer satisfaction. Therefore, satisfied customers are more likely to make repeat purchases. The hypothesis is as follows:

H6: Service quality has a positive and significant effect on repurchase intention through customer satisfaction.

### The Relationship between Price Perception and Repurchase Intention through Customer Satisfaction

Research by Nagle and Hogan in (Fahlefi et al., 2023) indicates that price perceptions are shaped by the seller's profit margin and comparisons with similar products. Customers may still buy if they perceive the price as fair, even if they're not fully satisfied. Supporting this, Ratlan Pardede and Yudi Haryadi in (Anggolo et al., 2024) found that price perception influences customer satisfaction, which in turn boosts repurchase intention. Thus, higher price perceptions relative to the price paid increase the likelihood of repeat purchases. Based on this, we propose the following hypothesis :

H7: Price perception has a positive effect on repurchase intention through customer satisfaction.

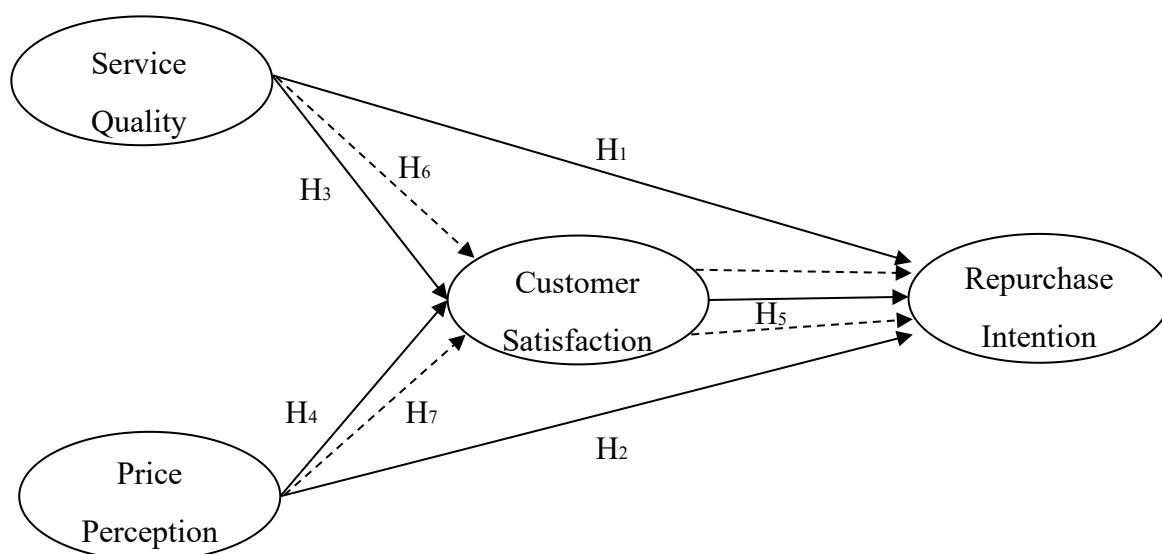


Fig 1. Research Model

**METHOD**

This study employs quantitative methods to test theory, present facts, analyze statistics, and show relationships between variables. Data was gathered through surveys and direct observation using Google Forms and airport visits. Non-probability and accidental sampling were used, selecting Garuda Indonesia passengers met by chance. The population size is not known for certain and large with insufficient research time. Based on the formula (Hair et al., 2019) the minimum sample size is 5-10 times the number of indicators. With 16 indicators, the sample size was set to 160 Garuda Indonesia passengers.

**Table 2. Measurement Indicators**

Variable	Operational definition	Items	Source
Service Quality	Service quality is defined as how far the difference is between reality and customers' expectations for the services they receive/obtain.	<ol style="list-style-type: none"> <li>1. Reliability</li> <li>2. Tangible</li> <li>3. Responsiveness</li> <li>4. Empathy</li> <li>5. Assurance</li> </ol>	Parasuraman <i>et al.</i> in (Dam et al., 2021)
Price Perception	Price perception is consumers' assessment of the price of a product or service based on their understanding and interpretation of the price information they receive.	<ol style="list-style-type: none"> <li>1. Price Affordability</li> <li>2. Price Competitiveness</li> <li>3. Price quality match</li> <li>4. Price benefits match</li> </ol>	Kotler and Keller in (Kusmayanti, 2022)
Customer Satisfaction	Customer satisfaction is the level of someone's feelings of happiness or disappointment resulting from a comparison between their perception/experience of service performance and their expectations.	<ol style="list-style-type: none"> <li>1. Satisfaction with the service</li> <li>2. Fulfillment of expectation</li> <li>3. Positive experience</li> </ol>	Taylor & Baker in (Setiawan et al., 2021)
Repurchase Intention	the possibility or tendency of a consumer to repurchase the same product or service in the future.	<ol style="list-style-type: none"> <li>1. Transactional interest</li> <li>2. Referential interest</li> <li>3. Preferential interest</li> <li>4. Exploratory interest</li> </ol>	Ferdinand in (Febriani et al., 2021)

Source: Processed by researchers, 2024

## RESULT AND DISCUSSION

### Respondent Characteristics

This research included questionnaires and response analysis on 160 Garuda Indonesia passengers at Soekarno-Hatta International Airport.

#### Gender

Respondents are categorized in this study based on their gender, with a male and female sample.

**Table 3. Measurement Indicators**

Gender	Amount (people)	Percentage
Male	75	46,9%
Female	85	53,1%
Total	160	100%

Source: processed by researchers, 2024

Out of the total responses, women make up 53.1% of the sample, while men make up 46.9%.

#### Ages

The age groupings of the respondents in the study are: <17 years, 17-25 years, 26-35 years, 36-50 years, and >50 years.

**Table 4. Respondent Characteristics based on Age**

Ages	Amount (People)	Percentage
< 17 years old	1	0,6%
17 - 25 years old	104	65%
26 - 35 years old	33	20,6%
36 - 50 years old	19	11,9%
> 50 years	3	1,9%

Source: Processed by researchers, 2024

Respondents' age distribution is as follows: <17 years (0.6%), 17-25 years (65%), 26-35 years (20.6%), 36-50 years (11.9%), and >50 years (1.9%).

### Latest Education

Respondents were categorized by their highest education level as follows: Senior High School/equivalent, D1-D4 (Associate's degree)/equivalent, S1 (Bachelor's degree)/equivalent, S2 (Master's degree), and S3 (Doctorate).

**Table 5. Respondent Characteristics based on Last Education**

Last Education	Amount (People)	Percentage
Senior High School/equal	26	16,3%
D1 - D4	9	5,4%

(Associate's degree)/equal		
S1	99	61,9%
(Bachelor's degree)/equal		
S2 (Magister)	25	15,6%
S3 (Prof)	1	0,6%

Source: Processed by researchers, 2024

Based on Table 5, respondents' educational backgrounds were as follows: 16.3% had Senior High School/equivalent, 5.4% had D1-D4 (associate's degree)/equivalent, 61.9% had S1 (bachelor's degree)/equivalent, 15.6% had a Master's degree, and 0.6% had a Doctorate (S3).

Jobs

For employment status, respondents were categorized into students, private employees, civil servants, entrepreneurs, tourists, and non-workers.

**Table 6. Characteristics of Respondents by Occupation**

Last Education	Amount (People)	Percentage
Student	77	48,1%
Private Officer	42	26,3%
State Officer	13	8,1%
Businessman	16	10%
Traveler	3	1,9%
Doesn't work	3	1,9%

Source: Processed by researchers, 2024

Based on Table 6, the research respondents included 48.1%, 26.3 % private employees ,8.1% civil servants, 10% entrepreneurs, 1.9% tourists and unemployed individuals.

4.2 Evaluation of Measurement Models

This research employs a reflective measurement model to assess service quality, price perception, customer satisfaction, and repurchase intention. Factor loading  $\geq 0.70$ , composite reliability  $\geq 0.70$ , Cronbach's alpha  $\geq 0.70$ , and Average Variance Extracted (AVE)  $> 0.50$  are the evaluation criteria. Using the Heterotrait-Monotrait Ratio (HTMT)  $> 0.90$  and the Fornell-Lacker criterion, where AVE root  $>$  correlation, discriminant validity is confirmed.

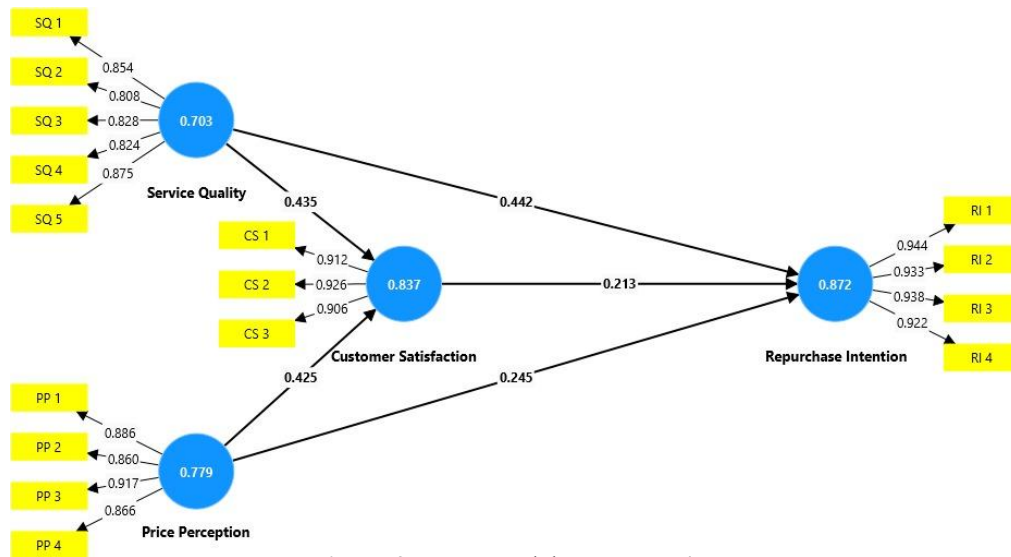


Figure 2. Outer Model SmartPLS 4

Table 7. Outer Loading, Composite Reliability (CR), Cronbach’s Alpha (CA), and Average Variance Extracted (AVE)

Variable	Item	Outer Loading	AVE	CA	CR
SQ	X1.1	0.854	0.703	0.894	0.895
	X1.2	0.808			
	X1.3	0.828			
	X1.4	0.824			
	X1.5	0.875			
PP	X2.1	0.886	0.779	0.905	0.908
	X2.2	0.860			
	X2.3	0.917			
	X2.4	0.866			
CS	X3.1	0.912	0.837	0.903	0.903
	X3.2	0.926			
	X3.3	0.906			
RI	X4.1	0.944	0.872	0.951	0.952
	X4.2	0.933			
	X4.3	0.938			
	X4.4	0.922			

Source: SmartPLS 4, 2024

The service quality variable, assessed with five indicators, has outer loadings from 0.808-0.875, demonstrating validity. It shows good reliability, with Cronbach's Alpha at 0.894 and Composite Reliability at 0.895, both above 0.70, and an AVE of 0.703, exceeding the 0.50 threshold. Price perception, measured with four indicators (outer loadings: 0.860-0.917), also confirms validity with Cronbach's Alpha of 0.905, Composite Reliability of 0.908, and an AVE of 0.779. Customer satisfaction, with three indicators (outer loadings: 0.906-0.926), has a Cronbach's Alpha and Composite Reliability of 0.903, and an AVE of 0.837. Repurchase intention, measured with four indicators (outer loadings: 0.922-0.944), shows high reliability (Cronbach's Alpha: 0.951, Composite Reliability: 0.952) and an AVE of 0.872, confirming validity.

**HTMT (Heterotrait Monotrait Ratio)**

**Table 8. Tabel HTMT (Heterotrait Monotrait Ratio)**

	<b>Customer Satisfaction</b>	<b>Service Quality</b>	<b>Repurchase Intention</b>	<b>Price Perception</b>
<b>Customer Satisfaction</b>	0.818			
<b>Service Quality</b>	0.780	0.779		
<b>Repurchase Intention</b>	0.826	0.806	0.844	
<b>Price Perception</b>				

Source: SmartPLS 4, 2024

(Hair et al., 2019) recommend using the Heterotrait-Monotrait correlation ratio (HTMT) for assessing discriminant validity, with a threshold >0.90. Analysis results show that all HTMT values are >0.90, confirming discriminant validity. This indicates that the variables in the research effectively differentiate their own indicators from those of other variables.

**Fornell Lacker**

**Table 9. Tabel Fornell Lacker**

	<b>Customer Satisfaction</b>	<b>Service Quality</b>	<b>Repurchase Intention</b>	<b>Price Perception</b>
<b>Customer Satisfaction</b>	0.915			
<b>Service Quality</b>	0.741	0.883		
<b>Repurchase Intention</b>	0.723	0.724	0.934	
<b>Price Perception</b>	0.744	0.728	0.779	0.838

Source: SmartPLS 4, 2024

Discriminant validity is assessed using the Fornell-Larcker criterion, which requires each variable's AVE square root to be greater than its correlation with other variables. In this study, Customer Satisfaction (AVE root = 0.915) exceeds correlations with Price Perception (0.741), Repurchase Intention (0.723), and Service Quality (0.744), confirming validity. Similarly, Price Perception (AVE root = 0.883) exceeds correlations with Repurchase Intention (0.724) and Service Quality (0.728). Service Quality and Repurchase Intention also meet this criterion, confirming discriminant validity.

### 4.3 Structural Model Evaluation

Structural Model Evaluation assesses hypothesis testing between research variables. Inner VIF values below 5 confirm no multicollinearity. Hypotheses are considered significant if the T-value is over 1.96 or the P-value is below 0.05. The f-square value measures direct impact, with 0.02, 0.15, and 0.35 indicating low, medium, and high influence, respectively. For mediation effects, f-square values of 0.01, 0.075, and 0.175 reflect low, medium, and high mediation strength.

Inner Model

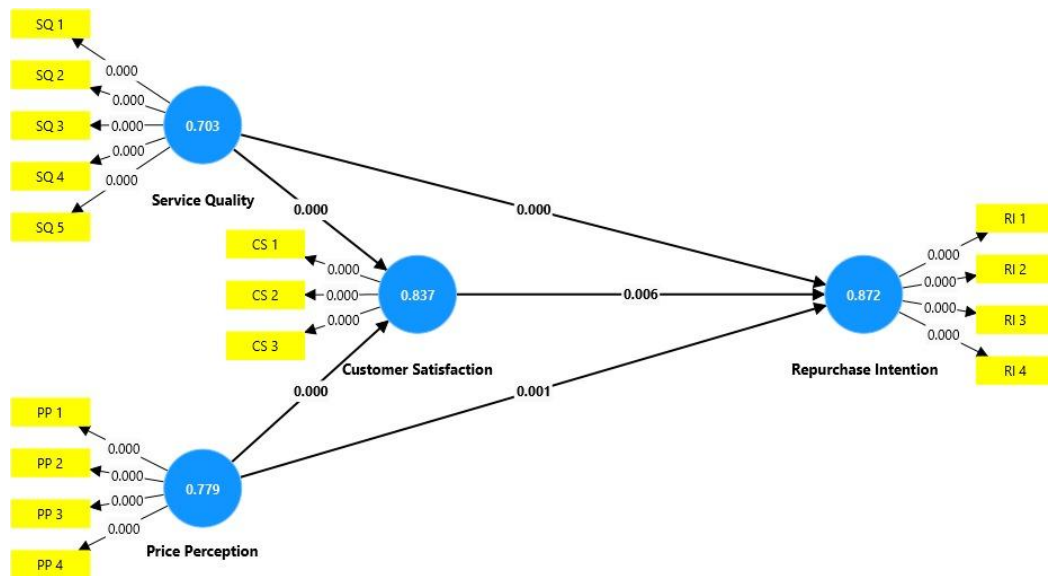


Figure 3. Inner Model

Table 10. VIF Table and Hypothesis Test (Direct Effect)

	VIF	STD	STDEV	T statistics	P Value	Result
CS → RI	2.765	0.213	0.078	2.738	0.006	Accepted
SQ → CS	2.126	0.435	0.069	6.350	0.000	Accepted
SQ → RI	2.650	0.442	0.079	5.600	0.000	Accepted
PP → CS	2.126	0.425	0.073	5.823	0.000	Accepted
PP → RI	2.625	0.245	0.071	3.440	0.001	Accepted

Source: SmartPLS 4, 2024

Before assessing the structural model hypotheses, it is crucial to test for multicollinearity between variables, indicated by the VIF statistic. The results show that the inner VIF value is below 5, indicating minimal multicollinearity and validating the reliability of the SEM PLS parameter estimations.

The hypothesis testing results are as follows:

1. H1: Accepted. Customer satisfaction significantly influences repurchase intention (path coefficient = 0.213,  $T_{statistics} = 2.738$ , P-value = 0.006).
2. H2 : Accepted. Service quality significantly influences customer satisfaction (path coefficient = 0.435,  $T_{statistics} = 6.350$ , P-value = 0.000).
3. H3 : Accepted. Service quality significantly influences repurchase intention (path coefficient = 0.442,  $T_{statistics} = 5.600$ , P-value = 0.000).

4. H4 : Accepted. Price perception significantly influences customer satisfaction (path coefficient = 0.425,  $T_{statistics} = 5.823$ , P-value = 0.000).
5. H5 : Accepted. Price perception significantly influences repurchase intention (path coefficient = 0.245,  $T_{statistics} = 3.440$ , P-value = 0.001).

**Hypothesis Test (Indirect Effect)**

**Table 11. Hypothesis Test (Indirect Effect)**

	<b>Original Sample (Path Coefficient)</b>	<b>Sample Mean (M)</b>	<b>Standard Deviation (STDEV)</b>	<b>T statistics ( Q /STDEV)</b>	<b>P value</b>	<b>Result</b>
SQ → CS → RI	0.093	0.095	0.038	2.404	0.016	Accepted
PP → CS → RI	0.090	0.092	0.036	2.492	0.013	Accepted

**Source:** SmartPLS 4, 2024

Based on the hypothesis testing results, Hypothesis 6 (H6) is accepted, indicating that customer satisfaction mediates the indirect influence of service quality on repurchase intention, with a mediation path coefficient of 0.093,  $T_{statistics}$  of 2.404 (>1.96), and P-value of 0.0016 (<0.05). Hypothesis 7 (H7) is also accepted, showing that customer satisfaction mediates the indirect influence of price perception on repurchase intention, with a mediation path coefficient of 0.090,  $T_{statistics}$  of 2.492 (>1.96), and P-value of 0.013 (<0.05).

**F-Square (Direct Effect)**

**Table 12. F-Square (Direct Effect)**

	<b>F-Square</b>	<b>Result</b>
CS → RI	0.050	low
SQ → CS	0.246	moderate
SQ → RI	0.228	moderate
PP → CS	0.234	moderate
PP → RI	0.070	low

**Source:** SmartPLS 4, 2024

The f-square analysis indicates that customer satisfaction significantly affects repurchase intention, but with a small structural impact (f-square = 0.050). Service quality has a moderate structural impact on customer satisfaction (f-square = 0.246) and also moderately influences repurchase intention (f-square = 0.228). Price perception significantly impacts customer satisfaction (f-square = 0.234) and repurchase intention, though with a small structural effect (f-square = 0.070).

**F-Square (Indirect Effect)**

According to (Ogbeibu et al., 2021) and (Lachowicz et al, 2018), a satisfactory mediation effect size, denoted as  $\nu$ , should be considered. Cohen's recommendations interpret  $\nu$  as follows: 0.01 (low mediation effect), 0.075 (medium mediation effect), and 0.175 (high mediation effect). The mediation effect size is calculated by squaring the original sample (path coefficient) on the indirect effect.

**Table 13. F-Square (Indirect Effect)**

	Statistic Upsilon (V)	Result
SQ → CS → RI	0.008	low
PP → CS → RI	0.009	low

Source: Processed by Researchers, 2024

Based on the f-square (indirect effect) table, customer satisfaction has a limited mediating role on the indirect influence of service quality and price perception on repurchase intention, with low upsilon (v) values of 0.008 and 0.009, respectively.

**R-Square**

The coefficient of determination, denoted by R squared, measures how well the independent variables explain the variability of the dependent variable. According to (Chin, 1998), R squared values of 0.19, 0.33, and 0.66 indicate low, medium, and high explanatory power, respectively.

**Table 14. Tabel R-Square**

	R-Square	Result
Customer satisfaction	0.638	Moderate
Repurchase Intention	0.676	height

Source: Smart PLS 4, 2024

Table 14 presents the Adjusted R-square values for the influence of "Service Quality" and "Price Perception" on "Customer Satisfaction" and "Repurchase Intention." The 0.638 value indicates a moderate impact, explaining 63.8% of the variance in Customer Satisfaction. Similarly, the 0.676 value shows a moderate effect on Repurchase Intention, explaining 67.6% of the variance.

**PLS Predict**

According to (Hair et al., 2019), Partial Least Squares (PLS) analysis, a type of Structural Equation Modeling (SEM), is used here to evaluate predictive power. PLS prediction is deemed satisfactory if its Root Mean Squared Error (RMSE) or Mean Absolute Error (MAE) values are lower than those of a linear regression model (LM). High predictive power is indicated when all PLS items have lower RMSE and MAE than LM, while moderate predictive power is recommended when differences are significant.

**Table 15. PLS Predict**

	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE
X3.1	0.478	0.403	0.491	0.412
X3.2	0.440	0.365	0.452	0.370
X3.3	0.479	0.383	0.475	0.383
X4.1	0.425	0.335	0.435	0.347
X4.2	0.429	0.340	0.445	0.354
X4.3	0.438	0.334	0.453	0.351
X4.4	0.437	0.342	0.446	0.352

Source: SmartPLS 4, 2024

Based on table 16, it shows that of the 14 observations of RMSE and MAE values, 12 measurement items showed higher values than the linear regression model. This shows that the proposed PLS model has strong predictive capabilities, because the PLS model produces lower RMSE and MAE values than the linear regression model.

## CONCLUSION

Indonesia's aviation industry is expanding rapidly, increasing demand and competition as new airlines emerge. This has prompted airlines to enhance service quality and innovate to retain customers. Garuda Indonesia focuses on providing high-quality service, but its high prices have led to a passenger decline. This study examines how service quality and price perception impact repurchase intention through customer satisfaction at Garuda Indonesia. Findings show that both factors positively influence repurchase intention, with high service quality and favorable prices boosting repeat purchases. Customer satisfaction is essential, as satisfied customers are more likely to return. The study highlights the importance of service quality and price perception in fostering customer satisfaction and loyalty, demonstrating their combined impact on repurchase intention.

## Implication

Based on the study's findings, all variables in the research model significantly and positively influence each other. Key recommendations for Garuda Indonesia include:

1. Enhancing Customer Satisfaction to Boost Repurchase Intention. Garuda Indonesia should prioritize customer loyalty by elevating in-flight entertainment, meal quality, and overall comfort to foster a satisfying passenger experience.
2. Service quality directly impacts customer satisfaction. Garuda Indonesia must ensure clean, comfortable aircraft and well-maintained airport facilities to meet customer expectations.
3. Since service quality affects repurchase intention, Garuda Indonesia should focus on reliable scheduling and effective delivery of services, like in-flight meals and entertainment.
4. Customer satisfaction is influenced by price perception. Garuda Indonesia could strengthen this by offering loyalty programs such as GarudaMiles, allowing customers to redeem points for tickets or upgrades.
5. Enhancing Repurchase Intention through Price Perception. Offering special discounts, especially during peak periods, could help improve price perception and encourage repeat purchases.
6. Indirect Impact of Service Quality on Repurchase Intention. High service quality enhances customer satisfaction, indirectly supporting repurchase intention. Garuda Indonesia should train staff to be responsive, such as promptly addressing issues during delays.
7. Price perception indirectly impacts repurchase intention. Offering premium services for business class, like high-quality meals and extra legroom, can create a valuable, satisfying experience that enhances customer loyalty.

## Research Limitation

This research uses a questionnaire to collect data from respondents which allows respondents to give answers that are not based on experience, but only as ideal answers. This research was conducted with a limited sample involving Garuda Indonesia airline users in several specific locations. The data collection time was relatively short. For future research, you can change the price perception variable, because only a few of these variables discuss this topic, and you can change the research location to find the desired sample.

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