

Assessing the Economic Impact of Service Quality on Customer Satisfaction, Trust, and Loyalty in Lion Air Indonesia

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Abstract

Air transportation is an efficient mode of travel for covering long distances in a short period, and currently, more options are available to the public through various airlines. One of the dominant airlines in Indonesia's domestic market is Lion Air, with a market share reaching 29.7% in 2021. However, despite its large sales volume, Lion Air frequently faces criticism regarding the quality of service provided to customers. This study aims to analyze the influence of factors such as reliability, assurance, responsiveness, facilities, and employees on customer satisfaction, customer trust, and customer loyalty in Lion Air. The respondents of this research are 137 customers who have used Lion Air services for domestic flights. The data obtained were analyzed using Smart PLS 3 to test the structural model and hypotheses. The results show that assurance and employee variables have a significant effect on customer satisfaction. Furthermore, customer satisfaction has a significant and positive impact on customer trust and customer loyalty. This indicates that good assurance and employee factors can increase customer satisfaction, which in turn influences trust and loyalty toward Lion Air. Therefore, Lion Air needs to improve performance in these two variables to enhance customer satisfaction, ultimately affecting customer loyalty.

Keywords: Customer Satisfaction; Customer Trust; Customer Loyalty; Lion Air; Domestic Flights

Submitted: 10 April 2025, Accepted: 10 June 2025, Published: 30 June 2025

1. Introduction

According to Law No. 6 of 1996 concerning Indonesian Waters, the number of islands under Indonesian sovereignty as of 2023 reached 17,508, with a population of approximately 278 million based on data from the Central Statistics Agency. Given its archipelagic nature and large population, Indonesia's national mobility level is extremely high. Air transportation has become the preferred mode of travel to support this mobility. According to the Aeronautical Engineering College (2024), airplanes are considered the safest mode of long-distance transportation compared to other means (Sattar et al., 2021).

Currently, people no longer face difficulties in achieving high mobility due to the presence of reliable air transport services. Based on data from the Directorate General of Civil Aviation at the Ministry of Transportation (2024), there are 22 commercial

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services that best suit their needs. Each airline competes to attract customers by optimizing strategies such as expanding fleet size, increasing flight frequency, offering competitive pricing, and improving service quality (Budiani et al., 2018; Daud et al., 2018).

Lion Air holds the largest market share among Indonesian airlines, accounting for 29.7%. However, a paradox arises: despite its top sales in 2023, Lion Air frequently receives public criticism. Social media is rife with complaints regarding delays, lost baggage, uncomfortable aircraft conditions, and more (Chung & Koo, 2015; Kim & Ko, 2012). In 2022, Lion Air was even labeled the world's worst airline by the travel platform Bounce. Nevertheless, data from the Official Airline Guide (OAG) shows Lion Air remains the most-used airline in Southeast Asia, indicating a unique disconnect between service quality perception and consumer behavior.

This phenomenon raises a key question in business and economics: What factors influence customer loyalty in the context of persistently criticized airline services? Previous studies have identified service quality dimensions—such as reliability, assurance, responsiveness—alongside ease of use, trust, and satisfaction, as crucial loyalty determinants (Lee et al., 2015; Anugrah, 2020; Sari & Rino, 2023). Other studies emphasize the role of facilities and human resource quality in shaping customer perceptions and behavioral loyalty (Sasongko, 2021; Sattar et al., 2021).

Although the literature on service quality and customer loyalty is extensive, a research gap exists in comprehensively linking service elements to customer loyalty within the context of domestic aviation in Indonesia—especially with airlines experiencing reputational challenges yet maintaining market dominance. Most prior research has focused on sectors such as digital banking (Mensah, 2020; Susanto et al., 2016), e-commerce (Matute et al., 2016; Asnawati et al., 2022), and tourism (Fotiadis et al., 2021; Bal & Bicen, 2017), leaving the airline industry underexplored in this regard.

The novelty of this study lies in its attempt to understand customer loyalty in a company facing continuous reputational crises yet showing exceptional market performance. This research integrates various factors that are often studied in isolation, such as ease of use, perceived usefulness (Nugroho et al., 2023; Nikou & Economides, 2017), electronic word-of-mouth (eWOM) (Oktarini & Wardana, 2018; Sharmin et al., 2021), and service quality from a customer-centric perspective (Han & Sa, 2022; Maryam, 2023). This integration offers a holistic perspective in analyzing customer loyalty behavior in the aviation sector.

To develop a rigorous conceptual framework, this study employs structural equation modeling (SEM), following recommendations by Hair and Sarstedt (2019) and Shmueli et al. (2019), to assess complex causal relationships among service quality dimensions, satisfaction, trust, and loyalty. SEM allows simultaneous evaluation of multiple constructs, enabling a more accurate prediction of loyalty behavior. Thus, the findings of this research are expected to offer both theoretical contributions to

consumer behavior literature and practical insights for service improvement in the airline industry.

Therefore, this study aims to analyze the influence of service quality dimensions (reliability, assurance, responsiveness, facilities, and employee performance) on customer satisfaction, and its impact on trust and loyalty among Lion Air passengers in Indonesia. The results of this study are expected to contribute to the broader literature on customer loyalty and offer managerial implications for airlines to improve service strategies and retain loyal consumers despite negative public perceptions.

2. Theoretical Background

Reliability

Reliability refers to the ability of a product, service, or system to consistently perform as expected without failure. It is a critical quality indicator that significantly impacts customer satisfaction, operational efficiency, and brand reputation (Mensah, 2020). In both digital and service industries, reliability—manifested through accurate and timely delivery of services—is strongly associated with customer satisfaction.

Studies demonstrate that consistent service delivery, dependable system performance, and accurate responses positively influence users' perception of value. For instance, in the context of e-wallets and mobile applications, reliability has been shown to enhance satisfaction and trust (Nugroho et al., 2023). Matute et al. (2016) and Daud et al. (2018) also emphasize the role of reliability in shaping perceived usefulness and fostering loyalty.

H1: Reliability has a positive effect on customer satisfaction.

Assurance

Assurance is a dimension of service quality that encompasses the competence, politeness, credibility, and integrity of service providers. These attributes are essential for fostering customer confidence, reducing perceived risk, and reinforcing the perception of service reliability.

Nikou and Economides (2017) emphasize that assurance contributes to trust formation through competent and courteous staff. Asnawati et al. (2022) found that information credibility and staff professionalism significantly affect customer decisions. Han and Sa (2022) show that assurance elements such as safety and knowledge positively affect student satisfaction in online learning. Kim and Ko (2012) also highlight assurance as a driver of brand equity in luxury marketing.

H2: Assurance has a positive effect on customer satisfaction.

Responsiveness

Responsiveness refers to an organization's willingness and ability to assist customers promptly, addressing inquiries, complaints, or requests efficiently. It is a critical aspect of customer experience, especially in digital environments where expectations for real-time responses are high.

Oktarini and Wardana (2018) assert that prompt responses significantly enhance user satisfaction. Lee et al. (2015) found that responsiveness improves trust and satisfaction in mobile service contexts. Sattar et al. (2021) also confirm that quick and effective service responses are key drivers of satisfaction in tourism and service industries.

H3: Responsiveness has a positive effect on customer satisfaction.

Facilities

Facilities include all physical infrastructure, technologies, and support services that facilitate customer interaction with a service or product. High-quality facilities not only support organizational performance but also enhance user comfort and convenience.

Budiani et al. (2018) emphasize the importance of community-based infrastructure in supporting sustainable tourism. In digital marketing and tourism, Sharmin et al. (2021) stress that smartphone-enabled platforms and social media create interactive environments that improve consumer experience. Studies by Bal and Bicen (2017) and Sari and Rino (2023) further confirm that the availability and condition of facilities significantly impact customer satisfaction in hospitality and retail sectors. *H4: Facilities have a positive effect on customer satisfaction*.

Employee

Employees play a crucial role in shaping customer perceptions. Their appearance, communication style, empathy, and technical competence directly influence service quality, satisfaction, and brand image.

Susanto et al. (2016) found that employee interaction is vital in encouraging continued use of mobile banking services. Maryam (2023) highlights the importance of empathetic and effective communication in religious lifestyle services. Sasongko (2021) notes that employee capability and demeanor significantly impact satisfaction and loyalty, while Anugrah (2020) supports that ease of use and human interaction in digital apps also depend on employee responsiveness.

H5: Employee has a positive effect on customer satisfaction.

Customer Satisfaction

Customer satisfaction is an emotional response formed after consuming a product or service. It reflects how well the service meets or exceeds customer expectations and is pivotal in building long-term customer relationships.

According to Matute et al. (2016), satisfaction serves as a mediator between service attributes and repurchase intentions. Asnawati et al. (2022) found that ease of use and digital content credibility enhance satisfaction. Nugroho et al. (2023) and O'Connor et al. (2017) suggest that customer satisfaction contributes to increased trust and continued usage across various service contexts.

H6: Customer satisfaction has a positive effect on customer trust.

Customer Trust

Trust is the foundation of enduring customer-brand relationships. It reduces uncertainty, encourages repeat behavior, and fosters deeper engagement. Trust emerges through consistent positive experiences, transparent communication, and competent service delivery.

Daud et al. (2018) identify trust as an outcome of satisfaction and perceived usefulness. Hair and Sarstedt (2019) discuss the structural modeling of trust as a key predictor in customer behavior. Kim and Ko (2012) and Chung and Koo (2015) note that digital credibility, social media engagement, and transparent communication strategies significantly enhance trust.

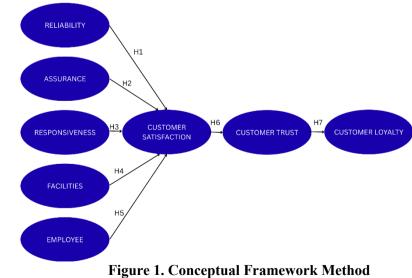
H7: Customer trust has a positive effect on customer loyalty.

Customer Loyalty

Customer loyalty refers to a long-term commitment to repurchase and support a brand, often characterized by advocacy, tolerance to price changes, and emotional attachment.

Fotiadis et al. (2021) highlight the strategic role of loyalty in business recovery postcrisis. Sharmin et al. (2021) demonstrate that digital engagement, satisfaction, and personalization significantly strengthen loyalty. Shmueli et al. (2019) emphasize that customer loyalty is built upon perceived usefulness, trust, and satisfaction. Bal and Bicen (2017) reinforce the idea that consistent, relevant digital interactions influence repeat behavior.

H8: Customer loyalty reflects sustained positive behavioral intention.



Source: Developed for this research (2025)

3. Methodology

This study employs a quantitative research approach aimed at understanding the factors influencing customer satisfaction, trust, and loyalty among Lion Air's passengers. To gather data efficiently and accessibly, the researchers applied a non-probability sampling method, specifically convenience sampling, which targets respondents who are easily accessible and willing to participate. A total of 137 valid responses were obtained through the distribution of structured questionnaires, designed to capture perceptions related to service quality dimensions, satisfaction, trust, and loyalty. The demographic characteristics and behavioral patterns of these respondents provided foundational insights into consumer attitudes toward Lion Air's service performance.

The collected data were then analyzed using SmartPLS 3, a statistical tool well-suited for handling complex models involving multiple constructs and indicators. The researchers applied the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique, which allows for robust analysis of both measurement and structural models, especially in exploratory studies with relatively small sample sizes. PLS-SEM was utilized to assess the validity and reliability of the measurement instruments, evaluate path coefficients, and test the proposed hypotheses concerning the relationships between reliability, assurance, responsiveness, facilities, employee performance, customer satisfaction, trust, and loyalty. This analytical method provided comprehensive insights into the causal structure and significance of each variable in shaping the passenger experience with Lion Air.

4. Empirical Findings/Result

Respondents' Profile

There are 137 respondents in this study. The profile respondent is shown in Table 1

Table 1. Respondents profile			
DESCRIPTION	Total	Percentage (%)	
Gender			
Male	52	38 %	
Female	85	62%	
Age:			
18 - 27 years old	56	41%	
28 - 43 years old	81	59%	
Domicile			
Bekasi	24	18%	
Bogor	28	21%	
Depok	29	21%	
Jakarta	44	32%	
Tangerang	11	8%	
Education			
Undergraduate	94	69%	
Graduate	11	8%	
<undergraduate< td=""><td>32</td><td>23%</td></undergraduate<>	32	23%	
Occupation			
Doctor	1	1%	
Housewife	3	2%	

Employee	53	39%
Civil Employee	19	14%
Student	26	19%
Professional	15	11%
Entrepreneur	19	14%

Source: Primary Data (2024)

Outer Model Test

To assess the validity and reliability of the instrument used in the research, it can be seen from the outer model in Smart PLS, which includes tests of convergent validity, discriminant validity, and reliability through composite reliability.

Table 2. Results of Outer Loading, Composite Reliability, and AVE				
Variable	Outer Loading			
RELIABILITY (CR = 0.901, AVE = 0.647)				
Lion Air airport staff provides quick service to customers.	0.703			
Lion Air flight attendants at the airport provide fast service to passengers during the flight.	0.863			
Lion Air airport staff offer appropriate solutions to customers when facing issues related to the airline.	0.889			
Lion Air flight attendants at the airport provide appropriate solutions to passengers during the flight when facing issues about the airline.	0.826			
Lion Air flight schedule Departures on time. ASSURNCE (CR=0.947, AVE=0.692)	0.724			
Lion Air is perceived by customers as rarely canceling flight schedules.	0.767			
Lion Air provides quick baggage delivery.	0.789			
Lion Air ensures accurate baggage delivery.	0.818			
Lion Air has a low aircraft accident rate.	0.853			
Lion Air gives passengers a sense of safety that they will arrive safely at their destination.	0.901			
Lion Air provides comfort to passengers regarding their flights.	0.867			
Lion Air reassures customers that their checked baggage will not go missing.	0.849			
Lion Air offers speed as a form of comfort during the baggage claim process. RESPONSIVENSS (CR=0.933, AVE=0.698)	0.804			
Lion Air airport staff respond promptly to customer requests from before to after the flight.	0.774			
Lion Air flight attendants at the airport respond promptly to customer requests during the flight.	0.837			
Lion Air airport staff take the initiative and effort to help customers resolve issues that arise.	0.825			
Lion Air flight attendants at the airport show initiative and effort in helping customers resolve issues that occur.	0.862			
Lion Air airport staff are not busy with other tasks when customers make requests related to the flight.	0.807			
Lion Air flight attendants at the airport are not occupied with other activities when customers ask for assistance related to the flight. FACILITIES (CR=0.937, AVE=0.601)	0.901			
There is a dedicated lounge facility for Lion Air.	0.813			
In-flight meal service is available.				
•	0.790			
In-flight entertainment facilities are provided.	0.813			
Passenger seats are comfortable.	0.774			
Passenger seats have ample legroom.	0.734			
The interior of Lion Air's aircraft appears clean and well-maintained for the flight.	0.725			
EMPLOYEE (CR=0.919, AVE=0.713)				
Lion Air airport staff dress neatly.	0.739			
Lion Air flight attendants at the airport dress neatly.	0.860			

Lion Air airport staff greet customers politely and warmly.	0.891
Lion Air flight attendants at the airport greet customers politely and warmly.	0.867
Lion Air airport staff possess sufficient knowledge about flights to answer customer questions.	0.865
Lion Air flight attendants at the airport have adequate knowledge about flights to respond to customer inquiries.	0.834
CÚSTOMER SATISFACTION (CR=0.938, AVE=0.791)	
Customers feel satisfied with the quality of service provided by Lion Air.	0.891
Customers perceive that the product quality offered by Lion Air is better than that of other airlines.	0.913
Customers have no criticisms towards Lion Air.	0.902
Customers consistently desire to experience the quality of service from Lion Air.	0.851
CUSTOMER TRUST (CR=0.945, AVE=0.811)	
Customers place trust in the airline, believing it consistently provides satisfying service quality.	0.876
Customers trust in the airline's safety level.	0.943
Customers have confidence that the airline will not engage in actions that could damage the quality of its products (such as interior and exterior aircraft).	0.868
Customers trust that the airline will always strive to improve its service quality.	0.914
CUSTOMER LOYALTY (CR=0.945, AVE=0.901)	
Customers are willing to make repeat purchases because the airline provides	0.727
satisfying service quality.	
Customers are willing to repurchase because the quality offered by Lion Air is	0.900
better than that of other airlines.	
Customers are willing to make repeat purchases even if Lion Air does not meet	0.902
their expected service standards.	0.704
Customers are willing to repurchase due to other factors rather than service	0.794
quality.	
Source: SmartPLS Output (2025)	

The CR value above 0.70 is considered acceptable, indicating that the measurement instrument is consistent in measuring the construct (Solimun et al., 2017). Thus, all variables have met the desired reliability criteria, ensuring that the measurement tools produce consistent and dependable data in this study.

HTMT values below 0.90 indicate that each construct has adequate discriminant validity, meaning that each construct is significantly distinct from the others in its measurement.

	Table 3. Heterotrait-Monotrait Ratio (HTMT)							
	AS	CL	CS	СТ	EM	FA	REL	RES
AS								
CL	0.786							
CS	0.785	0.613						
CT	0.878	0.762	0.896					
EM	0.446	0.639	0.607	0.648				
FA	0.738	0.651	0.567	0.615	0.531			
REL	0.706	0.712	0.716	0.787	0.848	0.683		
RES	0.309	0.371	0.334	0.390	0.295	0.204	0.272	

Source: SmartPLS Output (2025)

To evaluate multicollinearity, the Variance Inflation Factor (VIF) is used, where VIF values above 5 indicate the presence of multicollinearity issues (Hair et al., 2021).

	AS	CL	CS	СТ	EM	FA	REL	RES
AS			2.587					
CL			2.534					
CS			2.522	1,000				
CT		1,000	3.386					
EM			1.152					
FA								
REL								
RES								

Table 4. V	ariance	Inflation	Factor (VIF)
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Source: SmartPLS Output (2025)

According to (Hair et al., 2022), the R-Squared (R²) value in Smart PLS is a measure indicating the proportion of variance in the dependent variable that can be explained by the independent variables within the model. R² values range from 0 to 1, with higher values indicating a better model in explaining the variance of the dependent variable. The classification of R² values is as follows: low (0.02 - 0.13), moderate (0.13 - 0.26), and high (0.26 - 0.37).

Table 5. R-Square				
	R-Square	R-Square Adjusted	Category	
Customer Loyalty	0,477	0,473	High	
Customer Satisfaction	0,621	0,607	High	
Customer Trust	0,676	0,674	High	
Source: SmartPI S	Output (2025)			

Source: SmartPLS Output (2025)

Hyphothesis Testing

Hypotheses are accepted if they show significant results, while those that do not meet this criterion are rejected. The established significance level is 0.05 (5%), meaning the coefficient is considered significant if the p-value is below 0.05.

Table 6. Hypotheses Testing					
Path	Original Sample	P value (<0.05)	Result		
Reliability -> Customer Satisfaction	0.087	0.180	Not Supported		
Assurance -> Customer Satisfaction	0.608	0.000	Supported		
Responsiveness -> Customer Satisfaction	0.058	0.144	Not Supported		
Facilities -> Customer Satisfaction	0.097	0.125	Not Supported		
Employees -> Customer Satisfaction	0.277	0.000	Supported		
Customer Satisfaction -> Customer Trust	0.822	0.000	Supported		
Customer Trust -> Customer Loyalty	0.690	0.000	Supported		
-	Path Reliability -> Customer Satisfaction Assurance -> Customer Satisfaction Responsiveness -> Customer Satisfaction Facilities -> Customer Satisfaction Employees -> Customer Satisfaction Customer Satisfaction -> Customer Trust	PathOriginal SampleReliability -> Customer Satisfaction0.087Assurance -> Customer Satisfaction0.608Responsiveness -> Customer0.058Satisfaction0.097Facilities -> Customer Satisfaction0.277Customer Satisfaction -> Customer0.822	PathOriginal SampleP value (<0.05)Reliability -> Customer Satisfaction0.0870.180Assurance -> Customer Satisfaction0.6080.000Responsiveness -> Customer0.0580.144Satisfaction0.0970.125Employees -> Customer Satisfaction0.2770.000Customer Satisfaction -> Customer0.8220.000		

Source: SmartPLS Output (2025)

Analysis of Hypothesis Testing Results :

1. H1: Reliability does not have a positive effect on customer satisfaction with p-value (0.180), this suggests that the hypothesis is not supported. Although reliability is widely recognized as a crucial factor influencing customer satisfaction, the findings in this study suggest that, within this context, reliability does not have a strong impact on customers' perception of satisfaction. This may occur because customers tend to focus less on efficiency and responsiveness, and more on the guarantee of accuracy and actual speed of the services provided by the airline. This is also supported by the SERVQUAL theory by Zeithaml & Berry (1988), which states that the reliability variable does not always significantly affect customer satisfaction, especially in certain industries.

- 2. H2: Assurance have a positive effect on customer satisfaction with p-value (0.000), this suggests that the hypothesis is strongly supported. This is similar to the customer satisfaction study on KRL Manggarai, which found that the assurance aspect, including the competence of employees in answering customer questions, provides a sense of security and trust in the services of KRL Manggarai. This significantly influences user satisfaction (Nurliza & Wulandari, 2022).
- 3. **H3: Responsiveness does not have a positive effect on customer satisfaction** with p-value (0.144), this suggests that the hypothesis is not supported. These results are similar to the study conducted by Dian Utari (2023) on Maxim online transportation in the Palembang area. The research revealed that the responsiveness variable does not have a significant effect on customer quality.
- 4. **H4: Facilities does not have a positive effect on customer satisfaction** with p-value (0.125), this suggests that the hypothesis is not supported. Research conducted on a coffee shop named Royal Coffee also yielded the same result, showing that the facilities of the shop do not significantly affect customer satisfaction (Nurfadlun et al., 2023).
- 5. **H5: Employee have a positive effect on customer satisfaction** with p-value (0.000), this suggests that the hypothesis is strongly supported. A similar evaluation was conducted on the drive-thru service at the Pulogadung motor vehicle testing unit. The study found that positive employee performance, such as accuracy in processing orders and the ability to manage emotions while maintaining a friendly attitude despite busy conditions, can increase customer satisfaction with the service (Habib et al., 2020).
- 6. **H6: Customer satisfaction have a positive effect on customer trust** with p-value (0.000), this suggests that the hypothesis is strongly supported. The same result was also found in a study conducted by Rahmawati and Wibowo in 2021 on PT XYZ, a manufacturer of sports shoes. The research showed that customer satisfaction positively influences customers' trust in purchasing the examined shoe products.
- 7. H7: Customer trust have a positive effect on customer loyalty with p-value (0.000), this suggests that the hypothesis is strongly supported. A similar finding was reported in research on an Indonesian C2C marketplace, which demonstrated that the level of trust among users significantly enhances their loyalty to the platform (Rachbini et al., 2019).

5. Discussion

This study was conducted to examine the influence of reliability, assurance, responsiveness, facilities, and employee performance on customer satisfaction, and how customer satisfaction in turn affects trust and ultimately customer loyalty in the context of Lion Air's domestic airline services. By identifying which service dimensions significantly contribute to customer satisfaction, this research aims to clarify the pathways through which trust and loyalty are formed in a high-volume yet frequently criticized airline.

The findings related to H1 reveal that reliability does not have a significant effect on customer satisfaction. This result challenges conventional assumptions in service marketing literature, where reliability is often considered a fundamental determinant of satisfaction. In the context of Lion Air, this anomaly may be attributed to the low expectation baseline that customers already associate with the airline. Frequent issues such as flight delays, rescheduling, and service inconsistency have likely normalized unreliability to the extent that customers no longer weigh it heavily in their satisfaction judgments. This reflects the concept of expectation-disconfirmation, where customers, after repeated unmet expectations, lower their standards and thus diminish the impact of that factor on satisfaction (Daud et al., 2018; Nugroho et al., 2023).

Regarding H2, the evidence shows that assurance has the strongest positive influence on customer satisfaction among all examined variables. This underscores the critical role of perceived safety, trustworthiness, and service confidence, particularly in highrisk service settings like aviation. Lion Air passengers appear to derive greater satisfaction when they feel assured of a safe and secure journey, even if other service attributes fall short. This supports findings from studies in various service sectors, where staff competence, politeness, and credibility significantly enhance customer satisfaction (Han & Sa, 2022; Asnawati et al., 2022).

The results for H3 indicate that responsiveness does not significantly affect customer satisfaction. This is somewhat unexpected, given the emphasis placed on timely assistance in service quality frameworks. However, a plausible interpretation is that responsiveness, as perceived by Lion Air passengers, lacks consistency or visibility. Fast responses to complaints may not compensate for overarching issues like flight disruptions or baggage mishandling. Similar findings were observed in digital service contexts, where responsiveness improved satisfaction only when other fundamental service quality factors were met (Lee et al., 2015; Sattar et al., 2021).

In evaluating H4, the results also show that facilities do not significantly contribute to customer satisfaction. Despite Lion Air offering some in-flight facilities such as entertainment and basic refreshments, these features might be perceived as minimal or inferior compared to competitors. Moreover, customers may prioritize safety and punctuality over aesthetic or functional elements of the physical environment when flying with a low-cost carrier. This aligns with research indicating that facilities become secondary factors that only positively influence satisfaction when basic

service quality expectations are already fulfilled (Budiani et al., 2018; Sharmin et al., 2021).

As for H5, employee performance shows a strong and statistically significant impact on customer satisfaction. This finding aligns with established research emphasizing the importance of human interaction in service delivery. Neat appearance, courteous behavior, and flight-related knowledge directly contribute to customer perceptions of professionalism and empathy. In a service sector dominated by personal contact such as aviation, these attributes enhance perceived value beyond tangible offerings. This is consistent with studies highlighting that employee skills, empathy, and attitude significantly elevate satisfaction levels in fast-paced service environments (Susanto et al., 2016; Maryam, 2023).

Examining H6, customer satisfaction demonstrates a substantial and positive influence on customer trust. This is consistent with relational marketing theories which posit that trust emerges from consistently satisfying service experiences. When passengers are content with the overall service—especially with critical factors such as assurance and employee conduct—they are more likely to trust the airline's commitment to quality and reliability. Similar patterns have been observed in various industries where satisfaction enhances perceived credibility and reduces perceived risk (Matute et al., 2016; Daud et al., 2018).

Finally, the findings for H7 support the hypothesis that customer trust significantly influences customer loyalty. Trust acts as a mediating bridge between satisfaction and long-term behavioral intentions such as repurchasing and brand advocacy. This reinforces the broader notion that in high-contact service industries where switching costs are low, customer loyalty depends less on price or convenience and more on the emotional security derived from trusted relationships. Sustained trust fosters resilience even in the face of service lapses, implying that rebuilding trust involves reinforcing positive emotional connections consistently (Kim & Ko, 2012; Sharmin et al., 2021).

6. Conclusions

The research findings indicate that, among the variables studied, reliability does not have a significant positive effect on passenger customer satisfaction of Lion Air. In contrast, assurance and employee competence both show a positive influence on customer satisfaction, highlighting their importance in service quality. Interestingly, responsiveness and facilities do not significantly impact customer satisfaction in this context. Furthermore, customer satisfaction plays a crucial role in building trust, as it has a positive effect on customer trust. Subsequently, this trust positively influences customer loyalty, emphasizing the importance of maintaining high service standards to foster long-term relationships with passengers. These results underscore the vital roles of assurance and employee performance in enhancing overall customer satisfaction, trust, and loyalty among Lion Air's customers.

Therefore, the airline should prioritize improvements and concentrate on enhancing the variables of assurance and employee performance. Focusing on these areas is crucial because they directly impact customer satisfaction. Providing consistent and high-quality assurance, along with well-trained, knowledgeable, and friendly staff, can significantly improve the overall experience for passengers. By doing so, Lion Air can strengthen its service quality, making customers feel more confident and secure about their travel choices.

In addition, increasing customer satisfaction through these efforts is expected to foster greater trust in the airline. As trust builds, it will naturally lead to higher customer loyalty. Loyal customers are more likely to choose Lion Air repeatedly for their flights, which will have a positive effect on the airline's overall sales and market share. Once loyal customers are established, they tend to prefer the airline consistently, which provides a sustainable advantage and contributes to long-term business growth for Lion Air.

There are several limitations in this study that could be addressed in future research. The first limitation is that the study focuses only on Lion Air's domestic routes, so it does not cover the entire scope of the airline's routes, particularly international areas. The second limitation is that the questionnaire distribution was limited to the Jakarta, Bogor, Depok, Tangerang, and Bekasi areas, suggesting that future research could distribute questionnaires in a wider area. Additionally, independent variables affecting customer satisfaction could be expanded, such as including price as a variable.

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