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# The Influence of Reliability on Customer Loyalty Mediated by Customer Satisfaction



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KEYWORDS	ABSTRACT
<p><b>Keywords:</b> Reliability; Customer Satisfaction; Customer Loyalty; Tax Consulting.</p> <p><b>Conflict of Interest Statement:</b> The author(s) declares that the research was conducted without any commercial or financial relationships that could be construed as a potential conflict of interest.</p> <p><b>Copyright © 2025 ABIM. All rights reserved.</b></p>	<p><b>Purpose:</b> This study aims to examine the effect of reliability on customer satisfaction and loyalty at the Hendrikus Tax Consulting Office in Jayapura, with customer satisfaction acting as a mediator. The primary hypothesis posits that service reliability enhances customer satisfaction, boosting customer loyalty.</p> <p><b>Research Design and Methodology:</b> The research employs a quantitative survey method, collecting data through questionnaires distributed to 97 purposively sample respondents from the office's client base. Data analysis was conducted using SmartPLS version 4, evaluating measurement and structural models to test validity, reliability, and hypotheses.</p> <p><b>Findings and Discussion:</b> The results indicate that service reliability positively and significantly affects customer satisfaction (t-statistic 8.042, p-value 0.000) and customer loyalty (t-statistic 1.986, p-value 0.048). Customer satisfaction substantially mediates the relationship between reliability and loyalty (t-statistic 4.969, p-value 0.000).</p> <p><b>Implications:</b> These findings suggest that enhancing service reliability can improve customer satisfaction and loyalty, which is crucial for service strategy in tax consulting. The study also highlights the need for further research into other factors influencing customer satisfaction and loyalty in different service industries.</p>

## Introduction

Tax consulting services play a crucial role in the service industry, where reliability is critical in maintaining and enhancing customer loyalty. Amidst increasingly fierce business competition, service reliability becomes an indispensable competitive advantage. Customer loyalty is not merely a result of momentary satisfaction but an accumulation of positive interactions built through reliable and consistent services. In Indonesia, the dynamics of the tax consulting services market present their challenges. The numerous and constantly changing tax regulations demand reliability from tax consultants to provide precise and prompt solutions for their clients. In this context, tax consulting offices face significant challenges in maintaining their customer loyalty. Often, the reliability of services becomes the determining factor in a customer's decision to continue using a particular tax consulting service or switch to another provider. The practical problem arising from this situation is the decline in customer loyalty, often caused by a lack of reliability in service. When customers feel they do not receive services that meet their expectations or there is uncertainty in the solutions

provided, their loyalty easily wavers. From a theoretical perspective, there is still a limitation in research that comprehensively examines the relationship between reliability, customer satisfaction, and customer loyalty, particularly in the context of the tax consulting services industry. Therefore, this study aims to bridge this gap by profoundly examining the influence of reliability on customer loyalty, with customer satisfaction as a mediator. This research contributes to developing theory in service management and provides practical insights for industry players to improve their service reliability strategies to achieve better customer loyalty.

Recent research shows that service reliability is crucial in determining customer loyalty. The latest studies underline the importance of reliability as the primary determinant of customer satisfaction, affecting their loyalty. For instance, Zhang et al. (2024) found that service reliability significantly increases customer satisfaction levels in the financial services industry, directly contributing to customer loyalty. Similarly, Kim et al. (2023) showed that service reliability is a key predictor of customer satisfaction and loyalty in online retail (Kim et al., 2023). Various studies have explored the factors influencing customer loyalty in the context of tax consulting offices. Adhanyah & Ernandi (2023) found that relationship quality, service quality, perceived value, and trust positively impact client loyalty. This is supported by Hardini & Digdowiseiso (2023), who highlighted the role of service excellence in creating positive experiences and enhancing customer satisfaction. Khan et al. (2020) and Ishaq et al. (2014) identified customer satisfaction as a key mediator between customer relationship management, company reputation, and customer loyalty. Helm et al. (2010) and Cholisati (2019) further emphasized the mediating role of customer satisfaction in the relationship between corporate reputation, service quality, and customer loyalty. Lastly, Bergel et al. (2019) explored the influence of customer engagement on customer loyalty, with customer satisfaction playing a key role in this relationship. The state-of-the-art in this field shows that although many studies have explored the relationship between reliability and customer loyalty, there are still significant limitations in the existing literature. In particular, previous studies often do not adequately consider the mediating role of customer satisfaction. For example, although Pham et al. (2020) found that service reliability is closely related to customer loyalty, this study did not examine how customer satisfaction mediates this relationship. This limitation allows further research to investigate the complex dynamics between reliability, customer satisfaction, and customer loyalty.

In the existing research literature, there is a significant gap regarding the mediating role of customer satisfaction between reliability and customer loyalty. Although most previous studies explore the relationship between reliability and loyalty, they have not adequately integrated customer satisfaction as a mediating variable. This limitation is evident globally and becomes more pronounced when we turn to empirical studies in Indonesia, particularly in the context of tax consulting offices. Empirical research in Indonesia rarely comprehensively examines this topic, thus opening opportunities for further research. This study aims to fill this gap by thoroughly examining the relationship between service reliability, customer satisfaction, and customer loyalty. By focusing on tax consulting offices in Indonesia, this research aims to provide a clearer understanding of these dynamics. The methodology will enable hypothesis testing that considers customer satisfaction as a mediator, providing valuable empirical insights into existing literature. The relevant research review shows that service reliability is consistently identified as an essential factor in building customer loyalty. However, studies by Adhanyah & Ernandi (2023) and Hardini & Digdowiseiso (2023) indicate the need to deepen understanding of the mediating role of customer satisfaction. Meanwhile, studies by (R. U. Khan et al., 2020) and Ishaq et al. (2014) emphasize the importance of customer satisfaction in enhancing loyalty but lack focus on the specific context of tax consulting offices. Therefore, this research challenges these findings and contributes by filling gaps in existing literature, providing new perspectives and relevant practical applications.

This research examines the influence of service reliability on customer loyalty, with customer satisfaction as a mediator. The objectivity of the research is maintained by measuring the variables studied using valid and reliable instruments and through rigorous data analysis. The main research questions are: (1) How does service reliability influence customer loyalty? (2) Does customer satisfaction mediate the relationship between service reliability and customer loyalty? This research offers novelty by empirically investigating the mediating role of customer satisfaction in the context

of tax consulting offices in Indonesia. In the existing literature, although many studies have identified the direct relationship between service reliability and customer loyalty, few have explored the mediating role of customer satisfaction, especially in this specific context. Therefore, this research is expected to significantly contribute to developing service management theory and provide practical insights for industry professionals to design more effective strategies for enhancing customer loyalty by improving service reliability. The results of this research are also expected to provide a foundation for further research in this field and enrich the literature with relevant and reliable empirical findings. This research is highly relevant to previous studies in service management and customer loyalty. Many previous studies have identified the importance of service reliability in enhancing customer loyalty. However, few have explored the mediating role of customer satisfaction in this relationship, especially in the specific context of tax consulting offices in Indonesia. Therefore, this research significantly contributes to filling the existing literature gap. Additionally, this research enriches understanding of the dynamics between reliability, satisfaction, and customer loyalty, which has not been extensively studied. In terms of novelty, this research offers innovation by placing customer satisfaction as a mediator in the relationship between service reliability and customer loyalty. The uniqueness of this research lies in its focus on the tax consulting services industry in Indonesia, a context that has not been extensively studied. Thus, this research expands the existing literature's scope and provides practical insights that practitioners can implement in the tax consulting services field. The significant contribution of this research lies in its ability to guide companies in improving their service strategies to achieve higher customer loyalty through enhancing service reliability and customer satisfaction. The results of this research are expected to become a basis for further theoretical development and provide practical implications beneficial for the industry.

## Literature Review

### *Service Reliability*

Service reliability, in the service management literature, is often defined as an organization's ability to deliver the promised services accurately, consistently, and on time. This definition includes consistency in service quality, timeliness, and the ability to meet customer expectations continuously. Reliability is about providing good service at once and maintaining that quality at every opportunity. In the context of a tax consulting firm, service reliability has several specific aspects that are very important. First, accuracy in the delivery of tax information is key. A small error in tax consulting can be fatal to the client, both financially and legally. Second, timeliness in completing tax tasks, such as reporting and document filing, is crucial. Third, consistency in delivering high-quality services is also critical. Customers expect the same standard of service every time they interact with their tax consultant.

Various studies have explored the factors that influence service reliability in the context of tax consultants. Gosal & Utami (2020) found that reliability is a significant determinant of taxpayer satisfaction, while Alexander (2003) highlighted the importance of source credibility in tax consulting engagements. Vossler & McKee (2017) emphasize the role of information services in tax reporting behavior, with the latter noting the impact of service accuracy and reliability. Aldhizer III et al. (2002) and Obid & Mustapha (2014) examined service quality determinants, with the former focusing on the type of service provided and the latter using a second confirmatory factor analysis to re-engineer tax service quality. Pahala (2021) and Tjondro et al. (2019) explored the effect of service quality and taxpayer perceptions on interest in using tax consultant services, with the latter also considering the impact of e-tax system satisfaction. Other reliability aspects include handling problems or complaints effectively and efficiently. When issues arise, customers expect quick and satisfactory solutions. Therefore, an effective monitoring and complaint-handling system is integral to service reliability.

### *Customer Satisfaction as a Mediator*

Customer satisfaction is a concept that refers to how customers feel after using a particular product or service, reflecting the extent to which their expectations are met. The main components of customer satisfaction include service quality, fair price, customer experience, and service provider responsiveness to customer needs. Customer satisfaction is paramount in the service industry because

it directly affects customer retention and loyalty. Customer satisfaction is an essential mediator between service reliability and customer loyalty. When the services provided by a service provider, such as a tax consultant, are considered reliable, customers tend to feel satisfied. This satisfaction increases the likelihood that the customer will remain loyal and use the service. In other words, service reliability creates satisfaction, which builds customer loyalty.

Research shows that customer satisfaction is a key driver of customer loyalty, mediating the relationship between reliability and loyalty (Chumpitaz & Paparoidamis, 2004; Erjavec et al., 2016; Lam et al., 2004; Sharma et al., 2020). This relationship is significant in the service industry, where service quality, staff quality, company image, and price perception can influence customer satisfaction and loyalty (Erjavec et al., 2016). Emotional brand image can also moderate this relationship. In the context of tourist hotels, service quality, customer satisfaction, and switching barriers influence customer loyalty, with customer satisfaction playing an important role. This mediating mechanism can be explained through consumer psychology theory, which states that consistent positive experiences strengthen the emotional connection between customers and service providers. When customers are satisfied with the reliability of the service provided, they tend to develop trust and loyalty towards the service provider. Research shows that customer satisfaction influences loyalty directly and strengthens the positive effect of service reliability on customer loyalty. Thus, ensuring high service reliability is key to achieving customer satisfaction, which will then mediate and increase customer loyalty. In the context of tax consulting offices, understanding and optimizing the mediating role of customer satisfaction can assist companies in designing more effective strategies to increase customer loyalty. This research is expected to provide deeper insights into this dynamic and assist firms in developing best practices to improve service reliability and customer loyalty.

#### *Customer Loyalty*

Customer loyalty, as defined by Oliver, is a deep commitment to repurchase or re-patronize a preferred product or service consistently in the future despite situational influences and marketing efforts (Ishaq et al., 2014). This loyalty is influenced by various factors, including shared values, identification, and switching costs Fullerton (2003). It is also shaped by the strength of the relationship between an individual's attitude and repeat patronage, mediated by social norms and situational factors (Dick & Basu, 1994). Customer loyalty is a long-term asset and a key business outcome with significant economic benefits (Abu-Alhaija et al., 2018). It is a multi-dimensional concept encompassing behavioral and attitudinal components (Išoraitė, 2016). The development of customer loyalty is crucial for a company's survival in a competitive market (Karya, 2020). It can be evaluated based on behavioral and attitudinal loyalty, which are influenced by trust, convenience, overall satisfaction, and inertia (Chirico & Presti, 2008). Customer satisfaction, brand trust, and variety-seeking are key determinants of brand loyalty (Shirin & Puth, 2011).

Customer loyalty is crucial in the context of tax consultants because this sector relies heavily on long-term relationships and the trust established between consultants and clients. The reliability of services tax consultants provides can enhance customer trust and satisfaction, strengthening their loyalty. Loyal customers will continue using the services and recommend them to others, aiding in attracting new clients. Research shows a direct relationship between service reliability and customer loyalty. A study by C. Zhang et al. (2021) indicates that service reliability significantly contributes to customer loyalty in the financial services industry. Similarly, research by Jeong et al. (2024) shows that service reliability is a major predictor of customer loyalty in online retail. Customer satisfaction is mediating in this relationship, where high service reliability increases customer satisfaction, enhancing loyalty. In the context of tax consultants, ensuring high service reliability boosts customer satisfaction and builds stronger loyalty. This suggests improving service reliability can yield long-term benefits through higher customer loyalty and a more stable client base. Thus, this study further studies how service reliability can effectively enhance customer loyalty through satisfaction, providing practical insights applicable to the tax consulting industry.

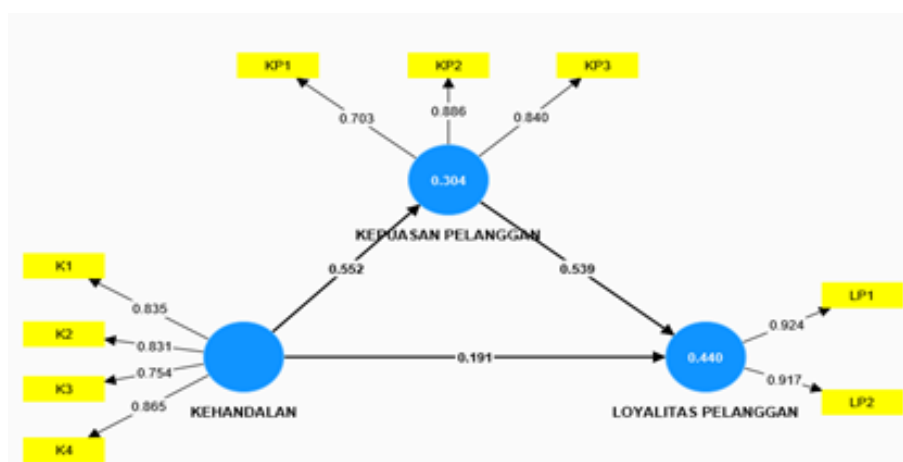
## Research Design and Methodology

Using a quantitative survey method, this study examines the effect of reliability on customer satisfaction and loyalty at the Hendrikus Bucen II Tax Consultant Office, South Jayapura. The research was conducted from December 2023 to January 2024. The study population included 191 taxpayers who became clients in 2022, with the sample taken using a purposive sampling technique, which determines respondents who have used tax consultant services for at least two years. Based on calculations using the Cochran formula, it was determined that the required sample was 97 respondents. The research variables include reliability as the independent variable (X) and customer satisfaction and loyalty as the dependent variable (Y). Reliability is defined as the ability of service providers to provide timely, accurate, and satisfactory services, while customer satisfaction refers to feelings of response to consumed services. Customer loyalty is defined as loyalty in the repeated use of products or services due to high satisfaction. Data was collected through a questionnaire using a Likert scale and direct observation of service quality at the tax consultant office. Data analysis was conducted using SmartPLS version 4 software, allowing simultaneous testing of measurement and structural models. This method was chosen because of its advantages in managing latent variables and small samples and does not require normal data distribution. The measurement model evaluation includes validity and reliability tests, while the structural model is evaluated based on the R-square value and t-value significance. This research is expected to provide deeper insights into how service reliability affects customer satisfaction and loyalty and provide practical guidance for the tax consulting service industry.

## Findings and Discussion

### Findings

In this study, the data analysis technique used is the Partial Least Square (PLS) approach to answer the problem formulation and test the hypothesis that has been formulated. PLS analysis consists of two sub-models: the measurement model (outer model) and the structural model (inner model). The measurement model is used for validity and reliability tests, while the structural model is used for hypothesis testing. The validity test is carried out to determine whether the construct has met the requirements to continue as research. Convergent Validity is assessed based on the correlation between item score/component score and construct score, which can be seen from the standardized loading factor, where individual reflective measures are said to be high if they correlate more than 0.70 with the measured construct. According to Ghazali and Latan (2015), an outer loading value of 0.50-0.60 is still acceptable. Figure 1 shows the outer model test results to show the outer loading value using the SmartPLS 4 analysis tool.



**Figure 1.** SmartPLS Analysis Results  
*Source: Data processed with SmartPLS 4 (2024)*



The diagram illustrates the relationships between service reliability, customer satisfaction, and customer loyalty in the context of a tax consulting office. Service reliability, measured by indicators K1 to K4, directly impacts customer satisfaction and loyalty. The path coefficient between service reliability and customer satisfaction is 0.552, indicating a significant positive effect. Customer satisfaction, in turn, has a path coefficient of 0.539 on customer loyalty, emphasizing its crucial mediating role. Additionally, service reliability directly influences customer loyalty with a coefficient of 0.191. The R-square values show that service reliability explains 30.4% of the variability in customer satisfaction, while service reliability combined with customer satisfaction explains 44% of the variability in customer loyalty. This underscores the importance of maintaining high service reliability to enhance client satisfaction and loyalty.

**Table 1.** Reliability Test and Average Extracted (AVE)

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Reliability	0.841	0.847	0.893	0.676
Customer Satisfaction	0.737	0.739	0.853	0.661
Customer Loyalty	0.821	0.822	0.918	0.848

*Source: Data processed with SmartPLS (2024)*

Table 1 shows that the reliability values for all variables in the validity test, using AVE values greater than 0.50 and composite reliability values greater than 0.70, are satisfactory. Therefore, it can be concluded that the tested variables are valid and reliable, allowing the structural model to be tested further.

**Table 2.** Combined R-Square and F-Square Table

Item	R Square	F Square (Reliability)	F Square (Customer Satisfaction)	F Square (Customer Loyalty)
Customer Satisfaction	0.304	0.438		
Customer Loyalty	0.440	0.045	0.360	

*Source: Data processed with SmartPLS (2024)*

Table 2 illustrates the R-Square and F-Square values for customer satisfaction and loyalty, providing insights into the structural model's explanatory power and the impact of reliability and customer satisfaction on these variables. The R-Square value for customer satisfaction is 0.304, indicating that 30.4% of the variance in customer satisfaction can be explained by the reliability of the service, suggesting a moderate influence. For customer loyalty, the R-Square value is 0.440, meaning that 44% of the variance in customer loyalty is explained by the combined effects of reliability and customer satisfaction, indicating a moderate to strong influence. The F-Square value of 0.438 for the effect of reliability on customer satisfaction denotes a significant impact, confirming that reliability significantly contributes to customer satisfaction. In contrast, the F-Square value for the effect of reliability on customer loyalty is 0.045, suggesting a small direct impact. However, the F-Square value of 0.360 for the effect of customer satisfaction on customer loyalty highlights a significant impact, underscoring the crucial mediating role of customer satisfaction in enhancing customer loyalty. This demonstrates that while reliability directly affects both satisfaction and loyalty, its influence on loyalty is primarily mediated through customer satisfaction, emphasizing the importance of fostering customer satisfaction to enhance customer loyalty effectively.

The significance values between constructs, t-statistics, and p-values should be considered to determine whether a hypothesis is accepted or rejected. Using this method, the estimation of measurements and standard error is based on empirical observations rather than statistical assumptions. This bootstrapping method agrees with the hypothesis if the t-statistics significance value is more significant than 1.98 and/or the p-values are less than 0.05. Hence,  $H_a$  is accepted,  $H_0$  is rejected, and vice versa.

**Table 3.** Bootstrap Testing Output

Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values
Reliability → Customer Satisfaction	0.552	0.566	0.069	8.042
Reliability → Customer Loyalty	0.191	0.196	0.097	1.986
Customer Satisfaction → Customer Loyalty	0.539	0.537	0.090	5.951
Reliability -> Customer Satisfaction → Customer Loyalty	0.297	0.303	0.060	4.969

*Source: Data processed with SmartPLS (2024)*

The results indicate that the relationship between reliability and customer satisfaction is significant, with a t-statistic value of 8.042 and a p-value of 0.000, meaning that reliability positively and significantly impacts customer satisfaction (H2). The direct effect of reliability on customer loyalty shows a t-statistic value of 1.986 and a p-value of 0.048, which is also significant, indicating a positive impact (H1). Customer satisfaction significantly affects customer loyalty, with a t-statistic value of 5.951 and a p-value of 0.000 (H3). Additionally, the indirect effect of reliability on customer loyalty through customer satisfaction is significant, with a t-statistic value of 4.969 and a p-value of 0.000 (H4). These findings demonstrate that reliability influences loyalty directly and indirectly through customer satisfaction, emphasizing the importance of ensuring reliable services to enhance customer loyalty.

## Discussion

### *Reliability on Customer Satisfaction*

The results of this study show a positive and significant influence of reliability on customer loyalty at the Hendrikus tax consulting office. This finding aligns with several existing theories and literature but raises critical questions that further research must address. The fundamental theory supporting this hypothesis is the trust theory in business relationships. This theory posits that reliability is one of the main components that build trust between service providers and customers. Reliability is the service provider's ability to deliver consistent, timely, and accurate services. Customers who believe the service provider is reliable tend to be more loyal because it reduces perceived uncertainty and risk.

The literature supporting these findings is extensive. Adhanyiah & Ernandi (2023) identified relationship quality, service quality, perceived value, and trust as key influencers of customer loyalty. Gosal & Utami (2020) highlighted the impact of service quality dimensions, including reliability. Research by Hossain & Ullah (2011) and Auruskeviciene et al. (2010) also emphasized the importance of trust in building customer loyalty, with Auruskeviciene et al. (2010) also noting the significance of functional quality and commitment. B. Khan & Rizwan (2014) further underscored the role of satisfaction, trust, and perceived service quality in driving customer loyalty. Leninkumar (2016) and Bricci et al. (2016) found that service quality dimensions, including reliability and factors like trust, commitment, and satisfaction, contribute to customer loyalty. These findings suggest that reliability, as a component of service quality, is likely to positively and significantly affect customer loyalty in the context of the Hendrikus tax consulting office. However, not all literature agrees with these findings. Some studies, such as those by Kumar & Shah (2015), indicate that other factors, such as price and personal relationships, might be more dominant in influencing customer loyalty than reliability. This suggests that the context of the industry and the characteristics of the customers influence the results.

The tax consulting industry has unique characteristics: accuracy and reliability are critical. Errors in tax services can have serious legal and financial consequences, making customers value reliability more than other factors. Additionally, the Hendrikus tax consulting office may have successfully built a strong reputation based on reliability, enhancing this variable's influence on customer loyalty. The implications of these research findings are quite significant. For the management of the tax consulting office, these findings emphasize the importance of maintaining and enhancing the reliability of their services. Investing in staff training, quality management systems, and technologies that support accuracy and consistency in services can be an effective strategy to increase customer loyalty. Additionally, these results underline the need for transparent and honest communication strategies to

build customer trust. From an academic perspective, these research findings open up opportunities for relevant ongoing studies. One possible direction for research is to explore how other factors, such as personal relationships and price, interact with reliability in influencing customer loyalty. Other studies could examine the impact of reliability on loyalty in the context of different service industries to see if these findings can be generalized. Longitudinal studies that track changes in reliability and customer loyalty perceptions over time could also provide deeper insights. By adopting a broader and more in-depth approach, we can better understand the complexity of the relationship between reliability and customer loyalty. This will enrich the existing literature and provide practical guidance for service industry practitioners to develop more effective strategies for building and maintaining customer loyalty. As academics and practitioners, we must continue pushing our knowledge boundaries and find innovative ways to enhance customer experience and business success.

#### *Reliability on Customer Loyalty*

The results of this study show a positive and significant influence of reliability on customer satisfaction at the Hendrikus tax consulting office. This finding confirms that the better or higher the level of reliability of the officers or employees in the service process, the higher the level of customer satisfaction. The theory underpinning this hypothesis is the service quality theory proposed by (Kotler, 2009), which states that the higher the service quality, the higher the customer satisfaction. In this context, reliability is one of the main dimensions of service quality. Reliability is defined as the ability of the staff to provide the promised service accurately, consistently, and on time. The literature supporting these findings is extensive. Gosal & Utami (2020) and Ali et al. (2017) found that reliability and other service quality dimensions significantly influenced customer satisfaction. Studies by Suyono et al. (2023) and Hardini & Digdowiseiso (2023) also identified reliability as a key factor in customer satisfaction, with Suyono specifically noting its significant positive effect. Additionally, Chege (2021) found an important influence of service reliability on customer satisfaction in the insurance industry. These findings collectively suggest that reliability is crucial in enhancing customer satisfaction, including at the Hendrikus tax consulting office. However, not all literature agrees with these findings. For instance, Man et al. (2019) found that tangibles and responsiveness directly affected customer satisfaction but did not specifically mention reliability. This suggests that other factors also play essential roles in influencing customer satisfaction.

In the tax consulting industry, reliability is critical because errors in tax services can have serious legal and financial consequences. Therefore, customers in this context value reliability more than other factors. Additionally, the Hendrikus tax consulting office may have successfully built a strong reputation based on reliability, enhancing this variable's influence on customer satisfaction. The implications of these research findings are quite significant. For the management of the tax consulting office, these findings emphasize the importance of maintaining and enhancing the reliability of their services. Investment in staff training, quality management systems, and technologies that support accuracy and consistency in services can be effective strategies to increase customer satisfaction. Furthermore, these results highlight the need for transparent and honest communication strategies to build customer trust. From an academic perspective, these research findings open up opportunities for relevant ongoing studies. One potential direction for research is to explore how other factors, such as personal relationships and price, interact with reliability in influencing customer satisfaction. Other studies could examine the impact of reliability on satisfaction in the context of different service industries to see if these findings can be generalized. Longitudinal studies that track changes in reliability and customer satisfaction perceptions over time could also provide deeper insights. By adopting a broader and more in-depth approach, we can better understand the complexity of the relationship between reliability and customer satisfaction. This will not only enrich the existing literature but also provide practical guidance for practitioners in the service industry to develop more effective strategies for building and maintaining customer satisfaction. As academics and practitioners, we must continue pushing our knowledge boundaries and find innovative ways to enhance customer experience and business success.



### *Customer Satisfaction on Customer Loyalty*

The results of this study show a positive and significant influence of customer satisfaction on customer loyalty at the Hendrikus tax consulting office. This finding indicates that the higher the level of customer satisfaction, the higher their loyalty to the company. The theory underpinning this hypothesis is the customer satisfaction and loyalty theory proposed by Jones & Doberstein (2022). According to this theory, the relationship between satisfaction and customer loyalty is positive, meaning that high satisfaction will increase customer loyalty. One of the leading indicators of customer satisfaction is the alignment of expectations; if the results meet expectations, it will foster a sense of loyalty to the company. The literature supporting these findings is extensive. Handoko & Ronny (2021) found that customer satisfaction positively impacts loyalty. This study is consistent with many previous studies that show customer satisfaction is a primary predictor of customer loyalty.

Additionally, various other studies support these findings in the context of tax consultant offices. Adhanyiah & Ernandi (2023) identified relationship quality, service quality, perceived value, and trust as key influencers of customer loyalty. Suyono et al. (2023) highlighted the impact of the marketing mix, with product, promotion, people, process, and physical evidence all playing significant roles. Gosal (2020) further emphasized the importance of service quality dimensions, including flexibility, reliability, assurance, tangibles, and responsiveness. Implementing Service Excellence also positively influenced customer satisfaction and loyalty (Hardini & Digdowiseiso, 2023). Customer satisfaction was identified as a key driver of loyalty in the context of tax consultant offices, with customer relationship management (Agung, 2021) and service quality (Shrestha et al., 2020) also playing significant roles. However, not all literature agrees with these findings. Some studies show that other factors, such as price, product quality, and personal relationships, influence customer loyalty. For instance, Kumar & Shah (2015) found that price and product quality could influence customer loyalty more than satisfaction. This suggests that while customer satisfaction is essential, other factors may be more dominant in certain situations.

In the tax consulting industry, the reliability and accuracy of services are critical because errors can have serious legal and financial consequences. Therefore, customer satisfaction in this sector may more strongly influence loyalty than in other sectors, where price and product quality may be more influential. Additionally, the Hendrikus tax consulting office may have built a strong reputation based on reliability and service quality, strengthening the relationship between satisfaction and customer loyalty. These research findings have significant implications for the management of tax consulting offices. They emphasize the importance of maintaining and enhancing customer satisfaction. Investment in staff training, quality management systems, and technologies that support accuracy and consistency in services can be effective strategies to increase customer loyalty. Additionally, the company should focus on meeting customer expectations and ensuring that every interaction with customers results in a positive experience. Transparent and honest communication strategies are essential for building customer trust and loyalty. From an academic perspective, these research findings open up opportunities for relevant ongoing studies. One potential direction for research is to explore how other factors, such as price, product quality, and personal relationships, interact with satisfaction in influencing customer loyalty. Other studies could examine the impact of satisfaction on loyalty in the context of different service industries to see if these findings can be generalized. Longitudinal studies that track changes in perceptions of satisfaction and customer loyalty over time could also provide deeper insights. By adopting a broader and more in-depth approach, we can better understand the complexity of the relationship between satisfaction and customer loyalty. This will not only enrich the existing literature but also provide practical guidance for practitioners in the service industry to develop more effective strategies for building and maintaining customer loyalty. As academics and practitioners, we must continue pushing our knowledge boundaries and find innovative ways to enhance customer experience and business success.

### *Reliability on Customer Loyalty Through Customer Satisfaction*

This study's results show a positive and significant effect of reliability on customer loyalty through customer satisfaction at the Hendrikus tax consulting office. These findings affirm that the better the reliability of the officers or employees in the service process, the higher the customer satisfaction,

which fosters loyalty to the company. The theory underpinning this hypothesis is the proposed service quality theory, which states that good service quality will result in high customer satisfaction and can enhance customer loyalty. The literature supporting these findings is extensive. That reliability has a positive effect on customer loyalty through customer satisfaction. This research aligns with numerous previous studies emphasizing the importance of reliability in building customer satisfaction and loyalty. The results from the loading factor analysis indicate that the most dominant indicators are the accuracy of the officers or employees, repeat purchases, and the alignment of expectations. This means that the accuracy of the officers or employees is crucial in the service process to ensure customer satisfaction with the results received.

Repeat purchases become a key indicator in increasing the company's value and success. Customers who repeat purchases or use services repeatedly indicate that they are satisfied with the results and feel that the service meets their needs. This demonstrates that satisfied customers remain loyal and continue using the same service, increasing customer loyalty. Furthermore, the alignment of expectations is essential in service; if the service meets customer expectations, they will feel satisfied, leading to loyalty to the company. However, some literature presents different results. Research by Kumar and Shah (2004) shows that other factors, such as price and personal relationships, can significantly influence customer loyalty more than reliability. This indicates that although reliability and customer satisfaction are essential, other factors might be more dominant in certain situations. These differences in results might be due to different industry contexts, where in the tax services industry, reliability and accuracy are critical because errors can have serious legal and financial consequences.

Other literature also supports the importance of reliability and service employee competence in influencing customer satisfaction and loyalty. Studies by de Waal & van der Heijden (2016), Tu & . (2011), Wang et al. (2022), Nguyen (2011), Kumar et al. (2018), Joudeh & Dandis (2020), and Sharma et al. (2020) consistently find that the reliability and competence of service employees significantly impact customer satisfaction and loyalty. These factors, along with service quality, empathy, responsiveness, and trust, are crucial in creating customer loyalty. Sharma et al. (2020) also emphasize that customer satisfaction strongly mediates the relationship between customer loyalty and service quality. In the tax consulting industry, reliability is crucial because errors in tax services can have serious consequences. Therefore, customers in this industry may value reliability more than other factors, such as price. Additionally, the Hendrikus tax consulting office may have built a strong reputation based on reliability and service quality, strengthening reliability's influence on customer satisfaction and loyalty.

The implications of these research findings are significant. For the management of the tax consulting office, these findings emphasize the importance of maintaining and enhancing the reliability of their services. Investment in staff training, quality management systems, and technologies that support accuracy and consistency in services can be effective strategies to increase customer satisfaction and loyalty. Additionally, the company should focus on meeting customer expectations and ensuring that every interaction with customers results in a positive experience. Transparent and honest communication strategies are essential for building customer trust and loyalty. From an academic perspective, these research findings open up opportunities for relevant ongoing studies. One potential direction for research is to explore how other factors, such as price, product quality, and personal relationships, interact with reliability in influencing customer satisfaction and loyalty. Other studies could examine the impact of reliability on satisfaction and loyalty in the context of different service industries to see if these findings can be generalized. Longitudinal studies that track changes in perceptions of reliability, satisfaction, and customer loyalty over time could also provide deeper insights. By adopting a broader and more in-depth approach, we can better understand the complexity of the relationship between reliability, satisfaction, and customer loyalty. This will not only enrich the existing literature but also provide practical guidance for practitioners in the service industry to develop more effective strategies for building and maintaining customer loyalty. As academics and practitioners, we must continue pushing our knowledge boundaries and find innovative ways to enhance customer experience and business success.

## Conclusion

The findings of this study indicate that reliability has a positive and significant effect on customer satisfaction, which in turn influences customer loyalty at the Hendrikus tax consulting office. This suggests that the better the reliability of the service provided by staff or employees, the higher the customer satisfaction, leading to increased customer loyalty. This is consistent with service quality theories, which posit that high service quality results in high customer satisfaction and subsequently enhances customer loyalty. The dominant indicators identified include the accuracy of staff or employees, repeat purchases, and the alignment of expectations, all of which significantly contribute to customer satisfaction and loyalty.

This research is valuable both theoretically and practically in the field of service management. Theoretically, it adds empirical evidence to the body of knowledge regarding the relationship between reliability, customer satisfaction, and customer loyalty. Thus, it strengthens existing theories about the importance of service quality in building long-term customer relationships. Practically, the findings provide clear guidance for companies, especially in the tax service sector, on the importance of maintaining and enhancing service reliability to improve customer satisfaction and loyalty. Investing in staff training, quality management systems, and technologies that support accuracy and consistency in services can be an effective strategy for companies to achieve these goals. Additionally, this research highlights the importance of transparent and honest communication strategies in building customer trust and loyalty.

Despite the significant contributions of this study, several limitations should be noted. First, the study was conducted at only one tax consulting office, so the results may not be generalizable to all tax consulting offices or other service sectors. Second, the study used a quantitative approach with questionnaires as the data collection tool, which may not fully capture the complexity and nuances of customer experiences. Third, the study did not consider price and personal relationships, which may influence customer satisfaction and loyalty. Future research should consider conducting longitudinal studies that track changes in perceptions of reliability, satisfaction, and loyalty over time. Expanding the scope to include more tax consulting offices or other service sectors to see if the findings can be generalized would also be beneficial. Additionally, qualitative research with in-depth interviews could provide richer insights into customer experiences and the factors influencing their satisfaction and loyalty.

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