



Integrating service quality, customer satisfaction, and brand gestalt in the context of multi-level marketing (MLM) companies

Theresia C. Lebo¹, Deske W. Mandagi²

^{1,2} Magister Management, Fakultas Ekonomi dan Bisnis Universitas Klabat, Manado, Indonesia

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ABSTRACT

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Ensuring service quality and customer satisfaction is essential for any company striving to establish a strong brand, attract new customers, and gain a competitive edge. Despite the increasing scholarly interest in service quality, customer satisfaction, and branding, there remains a dearth of empirical research on the nexus of these variables in relation to brand gestalt. The present study aims to address this theoretical gap by examining the link between service quality, customer satisfaction, and brand gestalt in the context of Multilevel Marketing (MLM) companies. This study employs a quantitative descriptive design, utilizing primary data obtained from a survey of 176 respondents who are either consumers or members of MLM companies. Data analysis is performed using Structural Equation Modeling (SEM) with the aid of the SmartPLS statistical program. The findings indicate that while service quality factors such as reliability, responsiveness, and empathy have no significant influence on customer satisfaction, tangibility and assurance aspects of service quality have a significant impact on customer satisfaction, which, in turn, has a significant influence on various dimensions of brand gestalt, including story, sensescape, servicescape, and stakeholder.

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Corresponding Author:

Deske W. Mandagi,
Fakultas Ekonomi dan Bisnis,
Universitas Klabat,
Jl. Arnold Mononutu, Airmadidi Bawah, Kec. Airmadidi, Kabupaten Minahasa Utara, Sulawesi Utara 95371, Indonesia,
Email: deskemandagi@unklab.ac.id

1. INTRODUCTION

Advancements in the business sector have rapidly and rigorously progressed, continuously adapting to changes in technology, deregulation policies, and evolving consumer needs. In this era, every company must competently contend with emerging victorious in the competition. Companies must attentively consider and prioritize customer satisfaction. A common issue in most companies is their inability to satisfy their consumers fully. Companies must comprehensively comprehend customer behavior to ensure business continuity, sustain growth, and achieve optimal profits amid intense competition. Understanding customer behavior empowers companies to meet their needs, ultimately fostering customer satisfaction (Felicia, 2020). Companies engaged in fierce

competition to provide customer satisfaction must holistically and systematically manage related issues in the corporate environment to attain the expected company goals. Forming a new business platform necessitates scrutiny of new strategies, particularly in determining the aspects that impact customer satisfaction (Primaturia & Berlianto, 2022).

Consumers do not merely acquire products, but concurrently procure the services that complement them. The provision of courteous, affable, and attentive service has been demonstrated to augment customer satisfaction. Service quality, in conjunction with product quality, forms a crucial component of a company's strategic framework for both sustaining itself and achieving success amidst the onslaught of competition. Bridging this gap necessitates the identification of service quality measurement criteria from both a managerial and customer perspective. This entails highlighting the incongruence between customers' expectations and their actual experiences, and understanding its impact on management, all in a concerted effort to narrow the gap or service quality gap (Mudie & Pirrie, 2006).

The paramount significance of customer satisfaction lies in its pivotal role in sustaining the very existence of a company amidst a fiercely competitive marketplace. The achievement of customer satisfaction hinges on the provision of impeccable service coupled with competitive pricing. Furthermore customer satisfaction is hindered by challenges such as the disparity between face-to-face and online interactions. To remain competitive, it is imperative to develop a consumer-centric marketing strategy. Service quality is an instrumental factor influencing customer satisfaction, encompassing the dimensions of reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al., 1985).

Brand gestalt is a theoretical framework for understanding brand knowledge and content representation, serving as a reference point to ensure brand recognition (Diamond et al., 2009) requires a comprehensive perspective, and brand gestalt offers a broader understanding of branding and brand management, recognizing that it is not a singular element but a combination of components and mutual influences that determine brand strength. Previous studies have investigated the relationship between brand gestalt and marketing variables, such as brand attitude, attachment, and loyalty (e.g., Mandagi et al., 2021; Mandagi & Aseng, 2021; Mandagi et al., 2022; Walean et al., 2023). Nevertheless, empirical research has yet to examine the association between service quality, customer satisfaction, and brand gestalt.

Despite the contentious nature of MLM, it remains a prevalent business model with numerous individuals attesting to its success in the industry. Multilevel marketing (MLM), a specialized variant of direct selling, has seen significant advancements since the 1990s, aided by technological progress and networks (Vander & Keep, 2002). According to the the recent reports by World Direct Selling Association, global direct sales amounted to USD 186.1 billion annually (WFDSA, 2023). Research indicates that a distributor's level of commitment, social support, and marketing expertise can impact their success in MLM (Vander & Keep, 2002). Additionally, MLM has the potential to make positive contributions to socioeconomic development, but proper regulation and oversight are essential to prevent abuse and ensure ethical practices (WFDSA, 2023). (Felicia, 2020) study suggests that achieving customer satisfaction in MLM demands providing goods or services of exceptional quality and at a corresponding price. Furthermore, since MLM sales rely on distribution agents, service quality is a crucial determinant of customer satisfaction (Vander & Keep, 2002).

Drawing upon the contextual backdrop outlined earlier, this study aims to examine the impact of service quality on customer satisfaction and the 4S brand gestalt dimensions - namely, servicescape, story, sensescape, and stakeholder - within the domain of Multilevel Marketing (MLM) companies. Building on the aforementioned problem statement, the principal objectives of this research endeavor are to: (1) ascertain

the extent to which the dimensions of service quality - namely, reliability, responsiveness, empathy, and tangibility - influence customer satisfaction, (2) evaluate the effect of customer satisfaction on the 4S dimensions of brand gestalt (i.e., story, sensescape, servicescape, stakeholder), and (3) determine the most significant predictor of customer satisfaction among the various service quality dimensions.

Overall, this research is significant in that it has the potential to enhance our understanding of how service quality, customer satisfaction, and brand gestalt are interconnected in the context of MLM companies and how this understanding can inform managerial decision-making and marketing strategies in this and other industries. In particular, the present study provides three important implications. First, the findings of this research will contribute to advancing the theoretical understanding of the relationship between service quality, customer satisfaction, and brand gestalt. The study's focus on MLM companies, which rely heavily on network-based selling and personalized communication, will provide insights into the unique challenges and opportunities associated with managing service quality, customer satisfaction, and brand gestalt in this context. Second, the results of this study inform managerial decision-making within MLM companies. By identifying which dimensions of service quality have the most significant impact on customer satisfaction and which dimensions of brand gestalt are most influenced by customer satisfaction, managers can prioritize their efforts and allocate resources more effectively. By better understanding the interplay between service quality, customer satisfaction, and brand gestalt, managers can develop more holistic and integrated marketing strategies that simultaneously address all three factors. Third and last, the research also has practical implications for companies operating in other industries. The insights gleaned from the study can be applied to different types of businesses that place a premium on customer satisfaction and brand gestalt, such as service firms, retail stores, and e-commerce companies.

2. RESEARCH METHOD

2.1 Brand Gestalt

The comprehension of brands presents an emotionally intricate challenge, as insights on the socio-cultural aspect of brands are fragmented and lack coherence and unity. The concept of brand gestalt promotes a broader and more comprehensive comprehension of branding and brand management (Diamond et al., 2009). The authors contend that brands are not simply read as straightforward entities, but rather, are born out of complex systems. While the brand components themselves are intricate, brands also exist within intricate environments. In-depth description of the components of brand gestalt can explicate the links they possess, enabling the effective understanding and management of their essential properties (Diamond et al., 2009).

The concept of a socioculturally constructed brand gestalt, comprising narratives and meaning through perception, generates a collaborative sense of interconnected relationships (Mandagi et al., 2021; Mandagi et al., 2022). Furthermore, brands are constructed from various sources through perceptual sensations and emotions. According to Mandagi and Aseng (2021), wholeness or gestalt refers to the aspirations, roles, and brand associations created by marketers. Based on previous studies on brand gestalt (Diamond et al., 2009; Mandagi et al., 2021; Mandagi & Aseng, 2021; Mandagi et al., 2022; Walean et al., 2023), and adapted to the context of this study, the brand gestalt construct is operationalized in three dimensions: story, sensescape, and servicescape. The brand gestalt concept was derived from gestalt theory, which elucidates the process of perceiving a component with relationships to others. Gestalt itself is defined as a pattern with meaning (Wertheimer, 1985).

2.2 Service Quality

According to Parasuraman et al., (1985), the fundamental notion of service quality is based on the proposition that the quality of service is a function of the discrepancy between customers' expectations and perceptions of the service. The authors contend that customers' expectations of service quality are shaped by a combination of prior experiences, word-of-mouth, and marketing communications. Conversely, customers' perceptions of service quality are determined by their actual interactions with the service. Define service quality as an enduring attitude that is evaluated holistically for long-term performance. It is believed that perceived service quality will lead to customer satisfaction (Bateson & Hoffman, 2011). Service quality is considered a benchmark for assessing the level of service provided and ensuring that it aligns with customer expectations (Tjiptono, 2019). To sum up, service quality encompasses all activities that combine the value of processing as measured by the level of service and the level of excellence expected to expedite collaboration with customers in meeting their needs.

In order to operationalize the abstract construct of service quality, Parasuraman et al. (1985) established a framework comprising five distinct dimensions that customers employ to evaluate the quality of services. These dimensions encompass tangibles, reliability, responsiveness, assurance, and empathy. Tangibles pertain to the physical infrastructure, equipment, and appearance of the personnel associated with the service provision. Reliability denotes the ability to perform the promised service in a consistent, dependable, and precise manner. Responsiveness encompasses the willingness to promptly assist and cater to the needs of customers. Assurance refers to the degree of knowledge, politeness, and proficiency exhibited by employees in conveying trust and reliability to customers. Finally, empathy pertains to the extent to which the service provider demonstrates personalized care, attention, and comprehension towards its customers.

2.3 Customer Satisfaction

Customer satisfaction is a pivotal aspect of business success, marked by recurring purchases and positive recommendations to prospective clients. It is closely intertwined with the customers' expectations and perceptions of the service delivery process (Bateson & Hoffman, 2011). Essentially, customer satisfaction can be regarded as a comparative analysis between the initial expectations or pre-purchase anticipations and the post-purchase performance or outcomes (Tjiptono, 2019). According to (Kotler & Keller, 2016.), customer satisfaction refers to the emotional state after comparing the actual performance or outcomes with the desired outcomes. Notably, customer satisfaction can be assessed at various levels, including when performance is below the expected level, resulting in customer dissatisfaction, or when performance meets or surpasses expectations, culminating in customer satisfaction. Satisfaction, as posited by (Kotler & Keller, 2016), is a positive or negative feeling derived from comparing customers' experiences with their expectations regarding goods and services. Moreover, as opined by (Toding & Mandagi, 2022), the ever-increasing competition in the market necessitates that companies meet and exceed customer needs and expectations to attain and maintain customer satisfaction.

Parasuraman et al., (1985), suggests that customer satisfaction is influenced by five dimensions of service quality, namely reliability, responsiveness, empathy, tangibility, and assurance. Reliability refers to the ability to perform services dependably and accurately, while responsiveness pertains to the willingness to assist customers promptly. Empathy refers to the level of understanding and care shown to customers, and tangibility denotes the physical evidence of the service, including facilities, equipment, and appearance. Assurance, on the other hand, relates to the knowledge and courtesy of service providers and their ability to convey trust and confidence. Recent empirical studies have supported the positive relationship between these five dimensions of service quality and customer satisfaction (e.g., Bello et al., 2021; Famiyeh et al., 2018;

Kasiri et al., 2017; Law et al., (2022). Based on this discussion, the following hypothesis is developed: H1a: The reliability dimension of service quality has a significant effect on customer satisfaction. H1b: The responsiveness dimension of service quality has a significant effect on customer satisfaction. H1c: The empathy dimension of service quality has a significant effect on customer satisfaction. H1d: The tangibility dimension of service quality has a significant effect on customer satisfaction H1e: The assurance dimension of service quality has a significant effect on customer satisfaction

According to the stimulus-organism-response (SOR) theory, customer satisfaction is a cognitive and emotional response to the service encounter, resulting from evaluating the perceived quality of service delivery and meeting or exceeding customers' expectations (Robert & John, 1982; Kim et al., 2020). Satisfied customers will likely form favorable attitudes and behaviors toward the brand and recommend it to others (Toding & Mandagi, 2021). Additionally, the brand gestalt theory suggests that a brand is a holistic and multifaceted entity encompassing various dimensions, including brand story, sensescape, servicescape, and stakeholder. These dimensions collectively shape the brand image and identity. Previous studies have found that positive customer experiences, such as high satisfaction and loyalty, are associated with a stronger brand, higher recall and sharing of the brand story, more favorable perception of sensory cues, greater preference for servicescape, and better relationship with stakeholders (Toding & Mandagi, 2021; Mandagi & Sondakh, 2022). Therefore, it is reasonable to assume that customer satisfaction would have a positive effect on all four dimensions of brand gestalt, which leads to the formulation of the following hypotheses: H2a: Customer satisfaction has a significant influence on the story dimension of brand gestalt, H2b: Customer satisfaction has a significant influence on the sensescape dimension of brand gestalt, H2c: Customer satisfaction has a significant influence on the servicescape dimension of brand gestalt H2d: Customer satisfaction has a significant influence on the stakeholder dimension of brand gestalt

The relationship between the variables in this study, along with related hypotheses, is shown in figure 1 below:

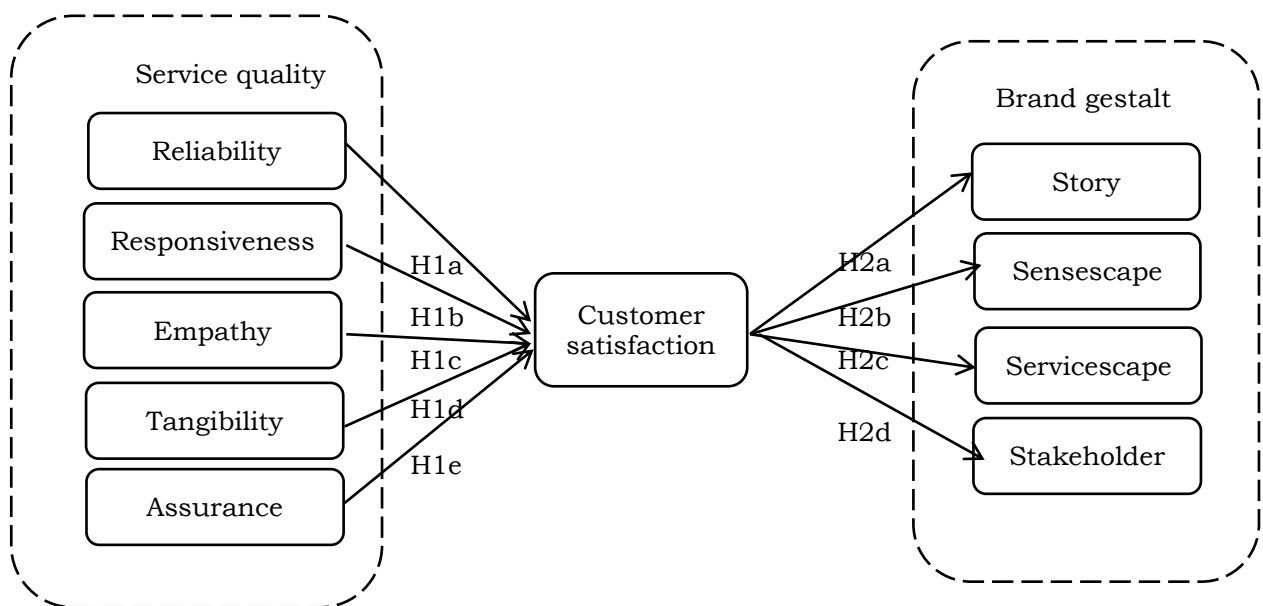


Figure 1. Research Conceptual Framework

In this investigation, the population is comprised of consumers engaged in Multilevel Marketing (MLM). A sample, a subset of the population, is made up of selected groups (Sekaran & Bougie, 2013). According to Hair et al., (2021), given a significance level of 5% and a minimum path coefficient of 0.2, the minimum sample size required is $n_{min} > (2.486/0.2)^2 = 154.505$. To obtain the minimum sample size, the result must be rounded, yielding a minimum sample size of 155. The study garnered a research sample of 176 participants who served as respondents.

Primary data refers to the original information gathered for a specific research aim. The data is acquired employing questionnaires administered to a sample of 176 customers. The data collection process involves developing or assembling a questionnaire instrument, which has been employed in the survey. Once the statements or indicators for each variable have been chosen, they are presented using the Likert Scale format. The subsequent step involves the distribution of the questionnaires. The survey instrument was disseminated to the target respondents, who purchase or consume MLM products from various industries. To reach these consumers, researchers distributed questionnaires to individual circles or groups, which in turn disseminated them to wider circles spanning different regions. The researcher then collected the completed questionnaires and re-checked by tallying the number of questionnaires received. Furthermore, the collected questionnaires were tabulated, organized into spreadsheets, and subsequently exported to software programs such as SPSS and SmartPLS for further analysis.

Aligned with the objective of this investigation, which aims to scrutinize and assess theoretical models involving multiple variables, structural equation modeling (SEM) was selected as the data analysis method. SEM is a statistical technique used to simultaneously examine a theory about the correlations among several variables (Usman, 2014). The analysis of data was executed using SPSS and SmartPLS statistical software packages.

The data analysis process commenced with examining the data through descriptive statistics in SPSS. The objective of the descriptive statistical analysis was to obtain a comprehensive understanding of the data utilized in the study, considering the mean value, standard deviation, and variance. The subsequent data analysis step involved structural equation modeling (SEM).

The data analysis was carried out utilizing the statistical software SPSS and SmartPLS. SPSS was utilized to perform demographic and reliability analyses of each variable and its indicators, while SmartPLS was utilized to test measurement models, structural models, and hypotheses developed in the study.

The SEM-based data analysis was executed through several stages following Hair et al., (2021). The first stage was the examination of convergent validity to comprehend the validity of each indicator on the variable by analyzing the factor loading value. Next, construct discriminant validity was examined. The discriminant validity test in this research was executed by examining the Fornell-Larcker Criterion, cross-loading, and Heterotrait-Monotrait Ratio criteria. The validity test of the Fornell-Larcker Criterion was conducted by comparing the square root value of the Average Variance Extracted (AVE) in each variable relationship in the model. Discriminant validity of the variable is confirmed when the square root of AVE is greater than the correlation between different variables. The second discriminant validity test involved examining the cross-loading of each indicator. The cross-loading value demonstrated the relationship between variables and other variable indicators.

The next step was to examine this study's construct/variable reliability by analyzing Cronbach's alpha, composite reliability, and EVA values. A variable was considered reliable if it had a Cronbach's alpha value of over 0.7, composite reliability above 0.70, and EVA above 0.50.

Furthermore, a structural model test was executed after all validity and reliability indicators were examined. The structural model was also tested to examine the hypothesis by reviewing the significance of the path coefficient utilizing the PLS Bootstrapping feature in SmartPLS statistical software. Testing the structural model comprised two stages: (1) Examining the hypothesis based on the path coefficient's significance value. (2) Examining the goodness-of-fit model to determine the suitability or fitness of a model by comparing the theoretical and empirical models.

3. RESULTS AND DISCUSSIONS

Table 1 reveals that among the 176 survey respondents, the most significant proportion of respondents (34.7%) falls in the age bracket of 20-29 years. Subsequently, the age group 30-39 years and 40-49 years account for 21% each. The demographic distribution of the sample further shows that respondents aged below 20 years comprise 17.6% of the sample, while those aged over 49 years constitute a mere 5.7% of the survey participants. The educational background of the respondents is primarily dominated by individuals with elementary, junior, high school, or equivalent education (52.3%). Bachelor's degree holders represent 40.3% of the respondents, while the proportion of respondents with a master's degree is 4.5%, and D1-d3 education is 2.8%.

Table 1. Demographic Data of Respondents

Variable	Category	n	%
Gender	Male		
	Female		
Age	< 20	31	17.6
	> 49	10	5.7
	20-29	61	34.7
	30-39	37	21
	40-49	37	21
City of domicile	Jawa barat	2	1.2
	Papua	22	12.6
	DKI Jakarta	9	5.1
	Kalimantan	1	0.6
	Papua	18	10.3
	Sulawesi Barat	8	4.5
	Sulawesi Selatan	8	4.5
	Sulawesi Tengah	11	6.3
	Sulawesi Utara	115	65.3
Profesi	Housewife	10	5.7
	BUMN employee	14	8
	Public servant	20	11.4
	Private employee	35	19.9
	Student	37	21
	Entrepreneur	10	5.7
	Others	50	28.4
Pendidikan	Highschool	92	52.3
	Diploma	5	2.8
	Undergraduate	71	40.3
	Master	8	4.5

3.1 Measurement Model

The measurement model underwent assessment via the SmartPLS algorithmic functionality to assess the validity and reliability of measurement scales. The attainment of convergent validity was established through careful observation of the factor loading value. Convergent validity was deemed achieved when the factor loading value exceeded the threshold of 0.7 (Hair et al., 2021). Results of the measurement model evaluation presented in Tabel 2 reveals that all factor loading values surpass the suggested threshold value.

Table 2. Result of the Measurement Model Evaluation (Factor Loading)

Variable	Number of Indicator	Factor Loading (Range)
Assurance	5	0.84 – 0.90
Empathy	7	0.82 – 0.88
Reliability	7	0.83 – 0.87
Responsiveness	4	0.85 – 0.91
Customer Satisfaction	6	0.86 – 0.92
Tangibility	7	0.85 – 0.89
Sensescape	5	0.86 – 0.94
Servicescape	5	0.86 – 0.91
Stakeholder	5	0.86 – 0.91
Story	5	0.87 – 0.91

Further, a construct is deemed valid according to the Fornell-Larcker criteria if the square root of average variance extracted ($\sqrt{\text{AVE}}$) exceeds the correlation coefficient between latent variables (Hair et al., 2021). As demonstrated in Table 3, the diagonal entries of the table exhibit higher $\sqrt{\text{AVE}}$ values than the inter-construct correlation values. This finding supports the conclusion that the measurement model satisfies the Fornell-Larcker criterion for discriminant validity.

Table 3. Fornell-Larcker Criterion

	3	4	5	6	7	8	9	10	11	
1	0.87									
2	0.88	0.85								
3	0.86	0.83	0.89							
4	0.86	0.85	0.85	0.84						
5	0.83	0.83	0.83	0.91	0.88					
6	0.77	0.73	0.77	0.73	0.71	0.91				
7	0.75	0.72	0.75	0.78	0.70	0.88	0.89			
8	0.71	0.74	0.75	0.78	0.74	0.74	0.79	0.93		
9	0.75	0.68	0.75	0.73	0.71	0.83	0.78	0.73	0.89	
10	0.84	0.87	0.90	0.87	0.84	0.76	0.76	0.75	0.72	0.87

Notes: 1= Assurance, 2= Empathy, 3= Customer Satisfaction, 4=reliability, 5=Responsiveness, 6= Sensescape, 7=Servicescape, 8=Stakeholder, 9= Story, 10=tangibility

Once convergent and discriminant validity have been established, the next step is to test the reliability or internal consistency of the measures. This type of research is typically expected to demonstrate content validity, criterion validity, and construct validity, according to Sekaran & Bougie, (2013). As Hair et al., (2021) note, the reliability test is crucial for ensuring the accuracy of data collection. In this study, reliability is assessed using a variety of indicators, including Cronbach's alpha (CA), composite reliability (CR), and average variance extracted (AVE) (Hair et al., 2021). The reliability of each variable is reported in Table 4, where it can be seen that both Cronbach's alpha and composite reliability exceed 0.7, while AVE exceeds 0.5 (Cronbach, 1970), indicating satisfactory levels of reliability.

Table 4. Reliability Test Result

	CA	rho_A	CR	AVE
Assurance	0.92	0.92	0.94	0.76
Empathy	0.93	0.93	0.94	0.73
Customer Satisfaction	0.95	0.95	0.96	0.80
Reliability	0.93	0.93	0.94	0.70
Responsiveness	0.91	0.91	0.93	0.78
Sensescape	0.95	0.95	0.96	0.83
Servicescape	0.94	0.94	0.95	0.80
Stakeholder	0.95	0.95	0.96	0.86
Story	0.93	0.93	0.95	0.79
Tangibility	0.95	0.95	0.96	0.76

3.2 Structural Model Testing

The subsequent analytical phase involves the assessment of the structural model utilizing Partial Least Squares (PLS) Bootstrapping to scrutinize the research hypothesis, as posited by Hair et al., (2021). Following the verification of the measurement model and the fulfillment of all validity and reliability indicators, the succeeding step entails the examination of the structural model.

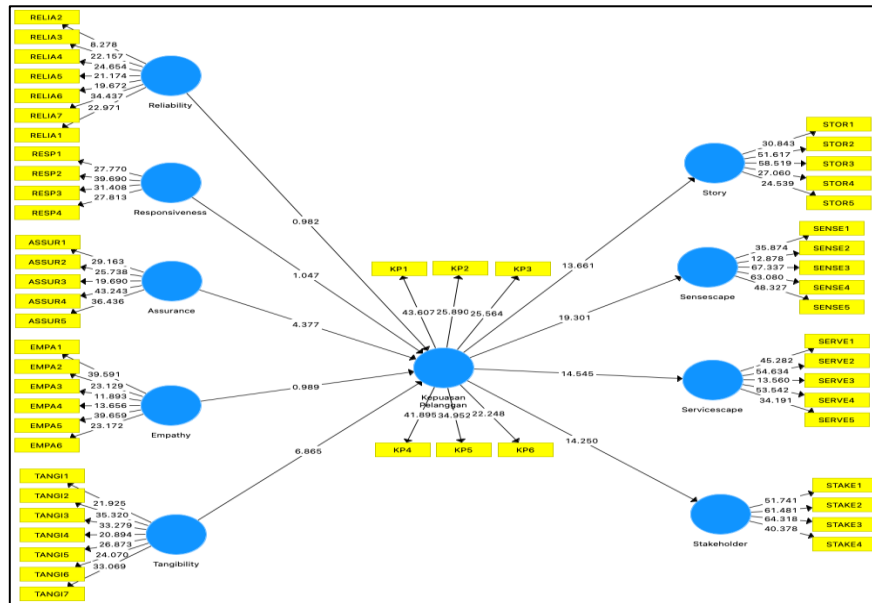


Figure 2. PLS Bootstrapping Structural Model Testing Results

Figure 2 and Table 5 depict the outcomes of assessing the structural model, offering evidence for several hypotheses in this investigation. The findings of the investigation regarding Hypothesis 1a reveal that reliability, as a component of service quality, has an insignificant influence on customer satisfaction ($\beta = 0.98$, p-value 0.327, exceeding the level of significance set at 0.001). Similarly, the outcomes of Hypothesis 1b indicate that responsiveness, another constituent of service quality, has an insignificant impact on customer satisfaction ($\beta = 1.05$, p-value 0.296, exceeding the level of significance set at 0.001). The outcomes of Hypothesis 1c also suggest that empathy, as a service quality dimension, has no significant effect on customer satisfaction ($\beta = 0.99$, p-value 0.323, exceeding the level of significance set at 0.001). However, the analysis of Hypothesis 1d suggests that tangibility, another element of service quality, significantly influences customer satisfaction ($\beta = 6.87$, p-value 0.000, lower than the level of significance set at 0.001). Likewise, Hypothesis 1e's findings indicate that assurance, as a dimension of service quality, significantly impacts customer satisfaction ($\beta = 4.38$, p-value 0.000, lower than the level of significance set at 0.001). The results of Hypothesis 2a testing also suggest that customer satisfaction significantly influences the story ($\beta = 13.66$, p-value 0.000, lower than the level of significance set at 0.001). Similarly, the analysis of Hypothesis 2b reveals a significant impact of customer satisfaction on the sensescape ($\beta = 19.30$, p-value 0.000, lower than the level of significance set at 0.001). Hypothesis 2c also suggests that customer satisfaction significantly affects the servicescape ($\beta = 14.55$, p-value 0.000, lower than the level of significance set at 0.001). Finally, Hypothesis 2d demonstrates that customer satisfaction significantly influences stakeholders ($\beta = 14.25$, p-value 0.000, lower than the level of significance set at 0.001).

Table 5. Structural Model Testing Results

Path relations	STDEV	T Stats.	P Values	Significant?
Assurance -> Customer satisfaction	0.07	4.38	0.000	Yes
Empathy -> Customer satisfaction	0.08	0.99	0.323	No
Customer satisfaction-> Sensescape	0.04	19.3	0.000	Yes
Customer satisfaction-> Servicescape	0.05	14.55	0.000	Yes
Customer satisfaction-> Stakeholder	0.05	14.25	0.000	Yes
Customer satisfaction-> Story	0.06	13.66	0.000	Yes
Reliability -> Customer satisfaction	0.1	0.98	0.327	No
Responsiveness -> Customer satisfaction	0.08	1.05	0.296	No
Tangibility -> Customer satisfaction	0.08	6.87	0.000	Yes

Table 6. Model Goodness of Fit Test

	<i>Saturated Model</i>	<i>Estimated Model</i>
SRMR	0.052	0.086
d_ULS	4.049	11.046
d_G	4.611	5.120
Chi-Square	3695.065	3948.843
NFI	0.725	0.707

Table 6 depicts the outcomes of the goodness of fit model. It is acknowledged that the criteria for each goodness of fit indicator entail that SRMR must be less than 0.08, d_ULS must exceed 2.00, d_G should surpass 0.90, chi-square ought to be lower than five, and NFI should not be lower than 0.9 (Hair et al., 2021). The current research's goodness of fit model is rather satisfactory, with an NFI value of 0.725. This goodness of fit analysis performed by Smart PLS evaluates the correlation between latent variables, and the closer the outcome is to 1, the better. The SRMR value for the estimated model is 0.086, indicating a reasonable fit, although not ideal. The d_ULS and d_G values for the estimated model are 11.046 and 5.120, respectively, which indicate that the estimated model is less efficient than the saturated model in fitting the data. The Chi-Square value for the estimated model is 3948.843, which is higher than the Chi-Square value for the saturated model (3695.065), indicating a worse fit for the estimated model. Finally, the NFI value for the estimated model is 0.707, indicating a reasonable fit, but not optimal. In conclusion, the estimated model provides an acceptable fit, but not as good as the perfect fit achieved by the saturated model. Further investigation might be necessary to improve the model fit.

4. CONCLUSION

The research investigation on the influence of service quality on customer satisfaction and brand gestalt in MLM firms yielded multiple conclusions. Firstly, the analysis revealed that service quality, particularly reliability and responsiveness, did not significantly impact customer satisfaction. The identification of the coefficient values did not indicate any noteworthy influence on customer satisfaction. Nevertheless, service quality concerning empathy, tangible aspects, and assurance did have a significant effect on customer satisfaction. This outcome coincides with earlier research that established a positive association between these five service quality dimensions and customer satisfaction (e.g., Bello et al., 2021; Famiyeh et al., 2018; Kasiri et al., 2017; Law et al., 2022).

Furthermore, the research revealed that customer satisfaction had a significant effect on brand gestalt sensescape, servicescape, stakeholders, and story. In other words, customer satisfaction is an effective means of building brand gestalt, and companies can continuously maximize customer satisfaction in strengthening the company's brand gestalt. The better the servicehascape provided, the more customer satisfaction will be created, which in turn will create significant stakeholder satisfaction. Additionally, customer satisfaction will create a good story for the company, which has a positive

impact on positive feelings from customers, including their satisfaction with the product or service.

These conclusions are supported by previous studies that explore the connection between customer satisfaction and brand gestalt. For example, sensescape, which refers to customer perceptions of their product or service experiences, is closely tied to customer response to a brand (Toding & Mandagi, 2021; Wulyatiningsih & Mandagi, 2023). Similarly, the positive and significant relationship between servicescape and customer satisfaction indicates that higher quality servicescape will result in greater customer satisfaction (Toding & Mandagi, 2021; Mandagi et al., 2022). Lastly, stakeholders are actively involved in creating brand achievement and a brand identity for customers within the gestalt concept from the consumer perspective (Mandagi et al., 2021).

In conclusion, the research provides valuable insights into the relationship between service quality, customer satisfaction, and brand gestalt in MLM companies. It highlights the importance of service quality and customer satisfaction in building a strong brand gestalt and how they can be optimized to achieve this goal.

Despite its valuable contribution, this study is subjected to several limitations. First, the study's findings may only apply to the specific MLM companies and customers in Indonesia included in the study, limiting the generalizability of the results to other MLM companies and contexts. Further, the study may only consider the influence of service quality on customer satisfaction and brand gestalt in the context of MLM companies in Indonesia. Other important factors that may contribute to customer satisfaction and brand gestalts, such as cultural norms, regulatory frameworks, or social media influence, may not be considered in the analysis. Third and last, the present study may not be able to establish causality between the factors examined and customer satisfaction or brand gestalt, as other variables or factors may influence these outcomes.

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