The Effect of Service Quality and Price on Repeat Purchases Through Purchase Decisions as Intervening Variables in Facility Management Company PT OCS Global Services

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Abstract

In the highly competitive facility management industry, understanding the factors that drive customer loyalty is essential for sustaining business growth. Service quality and pricing strategies are often cited as critical determinants of customer retention, yet the mechanism through which these factors influence repeat purchases remains underexplored, particularly in B2B service contexts. This study aims to examine the effect of Service Quality and price on repeat purchase, with purchase decision as an intervening variable, in a Facility Management service company. A quantitative approach with Structural Equation Modeling (SEM) was applied, and data were collected through questionnaires distributed to customers of PT OCS Global Services. The findings reveal that Service Quality and price have a significant positive effect on purchase decisions, while purchase decisions significantly influence repeat purchases. Moreover, purchase decisions mediate the relationship between Service Quality and price with repeat purchase. These results emphasize that improving Service Quality and applying competitive pricing strategies are essential to fostering customer loyalty in the Facility Management service industry.

Keywords: Service Quality, price, purchase decision, repeat purchase

INTRODUCTION

Business developments in the current era of globalization force every company to continue innovating and increasing added value in the services and facilities provided (Liu & He, 2024). The highly dynamic business environment encourages companies not only to focus on achieving momentary sales but also to build customer loyalty through a strategy oriented towards customer satisfaction and experience. In this context, service quality and pricing are two key factors that greatly determine purchasing decisions and customers' tendency to make repeat purchases (A. Hidayat, 2021).

Today, the facilities management sector faces high challenges to grow quickly and maintain customer loyalty (Kurniawan & Tan, 2021; Lee & Kim, 2020). Competition occurs not only in manufacturing companies but also in service companies, including the Facility Management (FM) industry (Zhao & Li, 2021; Sharma & Gupta, 2020). Facility Management is a strategic service that includes building management, cleanliness, security, maintenance, and other supporting services that directly affect the comfort and usability of building users (Wang & Zhang, 2022; Suryani & Setiawan, 2020).

PT OCS Global Services, as one of the multinational companies engaged in Facility Management, strives to maintain customer loyalty. The company competes with local and global service providers offering similar services with a variety of prices and quality. In this context,

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service quality and price are the main factors that greatly influence perception, purchase decisions, and ultimately repurchase by customers.

According to Kotler & Keller (2016), service quality is the ability of a company to provide services that meet or even exceed customer expectations. In the Facility Management sector, service quality includes responsiveness, reliability, service assurance, attention to customer needs, as well as service aspects such as cleanliness, safety, and facility comfort. High-quality service fosters trust, satisfaction, and encourages customers to make repeat purchases.

Service quality is one aspect that business actors cannot ignore. Quality service creates a positive experience for customers, which can increase satisfaction and loyalty levels. According to research by Anas et al. (2024), there is a significant relationship between service quality and customer purchase decisions. These findings align with several previous studies affirming the importance of service quality as a determining factor in customers' purchase and repurchase decisions (Umar & Norawati, 2022).

In addition to service quality, the price factor is also a main consideration in determining customer behavior. Competitive prices can strengthen the attractiveness of a service in the market. Research by Marlius & Mutiara (2022) shows that prices not only directly influence purchasing decisions but also shape customers' perceptions of value for money. In many cases, the right price creates a positive impression, so customers do not hesitate to make a repeat purchase (Atiningsih & Izzaty, 2021). Thus, the balance between the price offered and the quality of service received influences the customer's purchase decision.

In line with this, Septyadi et al. (2022) also stated that price promotions can encourage customers to make purchase decisions faster, especially in today's digital era where price information is easily accessible and comparable across services and brands. This further confirms that price and service management must be carried out synergistically to win market competition (Sinaga, 2023).

Furthermore, the purchase decision made by customers is not just a momentary response to a marketing stimulus but is also influenced by previous experience and long-term company perception (Zhang & Li, 2021; Lee & Kim, 2020). However, before customers make a repurchase, there is a purchase decision process that acts as an intervening variable (Hassan & Ahmed, 2022; Tan & Huang, 2021). This process includes stages of need recognition, information search, alternative evaluation, decision-making, and post-purchase evaluation (Kotler & Armstrong, 2018; Wang et al., 2020). In other words, while service quality and price directly affect repurchases, the purchasing decision factor also strengthens this relationship (Kurniawan & Tan, 2021; Gupta & Sharma, 2022). A positive purchase decision increases the likelihood of customers re-contracting with the same service provider (Melza & Widarta, 2024; Chong et al., 2021). In this context, purchasing decisions act as intervening variables bridging the influence of service quality and price on repeat purchases (Sulaiman et al., 2022; Wang & Zhang, 2021).

Based on this description, this study is important to analyze the extent to which service quality and price affect customer repurchases, as well as how purchase decisions play a role as intervening variables in PT OCS Global Services. The results of this research are expected to

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contribute academically to the development of service marketing management science and practically as a basis for the company's strategy in increasing customer loyalty.

The phenomenon of customer loyalty is one indicator of a company's success in managing relationships with customers. Loyal customers not only make repeat purchases but also become promoters who recommend services to others. Especially in the world of services, particularly Facility Management, which relies heavily on labor and direct customer interaction, a company's ability to provide consistent, responsive service that meets customer expectations and offers prices matching the services needed will be a key determinant of long-term success. Poor service, even at one touchpoint, can erode customer trust and reduce the likelihood of repeat purchases.

Data shows that PT OCS Global Services has 617 active customers by 2025, spread across 26 provinces throughout Indonesia. The largest customer distribution is in DKI Jakarta with 148 companies, followed by West Java with 119 companies, and East Java with 57 companies. In contrast, some regions have relatively low customer numbers, such as Central Kalimantan, Southwest Papua, and Central Sulawesi, each with only one customer. This variation in customer numbers illustrates the breadth of the company's operational reach but also shows potential differences in service needs between regions based on the number and characteristics of customers.

However, based on data findings for the period 2023 to early 2025, 31 customers have not made a repeat purchase despite previously using the company's services. These consist of 10 companies with contracts expiring in 2023, 14 companies in 2024, and 7 companies in 2025. This condition indicates a level of customer churn that needs further analysis. To understand the causative factors, this study focuses on testing service quality and price as variables directly affecting repurchases, with purchase decisions as intervening variables explaining the customer transition from initial decision to long-term purchasing behavior.

Researchers recognize that many companies do not optimally balance these two factors. Sometimes companies focus more on promotion and price but ignore service quality, so customers remain loyal only to price, not service quality. Conversely, excellent service without competitive prices is less effective in creating long-term loyalty. This presents a challenge for company management to find the best strategy to harmonize these two aspects (Tannady, 2023).

This research has theoretical and practical significance. Theoretically, it aims to enrich scientific studies on the influence of service quality and price on repeat purchases through purchasing decisions as an intervening variable in Facility Management companies. It also seeks to provide a new perspective on customer behavior dynamics in the increasingly complex and competitive digital era (Iis et al., n.d.).

Practically, the research outcomes are expected to provide strategic recommendations for business actors, particularly in designing marketing policies based on customer needs and expectations. The right strategy in improving service quality and setting appropriate prices can be key to building loyalty and retaining customers amid fierce competition (Irdiana, 2021).

Despite extensive research on service quality and pricing in consumer markets, a significant gap remains in understanding how these factors interact within B2B Facility Management contexts. Specifically, while previous studies have examined direct relationships between service

quality, price, and customer loyalty, few have investigated the mediating role of purchase decisions in the Facility Management industry. Existing literature predominantly focuses on B2C contexts or manufacturing sectors (Bakır et al., 2024; Chen et al., 2021), leaving the unique dynamics of long-term contract-based B2B service relationships underexplored. Furthermore, the specific characteristics of Facility Management services—such as continuous service delivery, high customer interaction, and multi-dimensional service quality requirements—create a distinct context deserving separate investigation.

This study addresses this gap by examining purchase decisions as a critical intervening mechanism explaining how service quality and price translate into repeat purchase behavior in the Facility Management sector. Moreover, the purchase decision variable as an intervening variable has not been deeply studied in many investigations, especially in service companies and more specifically in Facility Management companies. By placing purchasing decisions as a link between service quality and price and repeat purchases, this study clarifies how customers shape their preferences and loyalty (Ichsan et al., 2021).

This research is increasingly relevant amid rising business competition and changes in customer behavior after the COVID-19 pandemic, where consumers have become more critical in assessing service quality and price suitability before making purchases or repurchases, as reinforced by the Katadata Insight Center survey (2023), which shows that 61% of Indonesian customers are now more selective about service experience and prices (Jain et al., 2021). Based on this phenomenon, this study is designed to answer seven problem formulations related to the influence of service quality, price, and purchase decisions on customer repurchases, including the role of purchase decisions as a mediating variable. The purpose is to analyze the relationships between these variables and test whether purchasing decisions strengthen the influence of service quality and price on customer repurchases. This research is expected to provide theoretical benefits by enriching the literature on variables affecting repurchase and offering insight into dominant factors influencing customer loyalty. Practically, the results can inform companies' strategies to improve service quality, set competitive prices, and strengthen customer loyalty. Additionally, this research will serve as a scientific reference, particularly for Sahid University postgraduate students and researchers studying similar topics in service companies, especially within the Facility Management industry in Indonesia.

METHOD

This study used a quantitative approach with a survey design as the main method to obtain objective and measurable data related to the relationships between variables. The research design was explanatory, meaning it aimed not only to describe the phenomenon but also to explain the influence of service quality and price on repeat purchases, with purchase decisions as intervening variables. The research model was constructed to test the direct and indirect influences between variables, while the analysis was carried out through linear regression and an advanced approach using Structural Equation Modeling (SEM), allowing the relationships between variables to be tested more comprehensively and accurately.

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The research population consisted of all customers who had made purchase decisions regarding the research object, totaling 617 customers spread across 26 provinces and 143 districts/cities. The purposive sampling technique was used to ensure that selected respondents met the criteria, namely customers with previous purchase experience. Using the Slovin formula, a sample size of at least 243 respondents was obtained. The questionnaire was distributed both online and offline, with instruments based on a Likert scale designed to measure perceptions of service quality, price, purchase decisions, and repeat purchases.

The object of the research was active customers of PT OCS Global Services, a Facility Management company in Indonesia providing various services such as cleaning, security, technical support, and others. The research focused on measuring service quality based on SERVQUAL dimensions, price perception, the purchase decision process, and repurchase behavior. The unit of analysis was individual customers who had made a transaction at least once in the past year, ensuring that the data reflected customers' real experiences with the company's services and prices.

Data were collected through questionnaires distributed via Google Forms and WhatsApp. Before being used in the main analysis, the instrument was tested for validity and reliability through content validity tests, construct validity, and Cronbach's Alpha, with a minimum threshold of 0.60–0.70. Data analysis was conducted using the Partial Least Squares – Structural Equation Modeling (PLS-SEM) method because it effectively tests predictive models and mediation relationships. Model evaluation included testing the outer model (validity and reliability of indicators) and inner model (R², t-test, and the significance of relationships between variables). The study's results were expected to provide an empirical picture of factors influencing repurchase and serve as a basis for strategies to improve service quality and customer loyalty in the Facility Management sector.

RESULT AND DISCUSSION

Analisis Partial Least Square (PLS)

The data processing in this study using Smart PLS consists of two types of models formed, namely the measurement model (Outer Model) and the structural model (Inner Model). Evaluation of the measurement model (Outer Model) is carried out to assess the validity and reliability of the model. Meanwhile, the evaluation of the structural model (Inner Model) aims to measure the magnitude of the influence between latent variables.

Outer Model Testing

As for the measurement model (Outer Model) for testing the validity and reliability for the equation model can be obtained by implementing the PLS Algorithme process on SmartPLS Software, the display results of the PLS Algorithme process can be seen in the following Figure 1:

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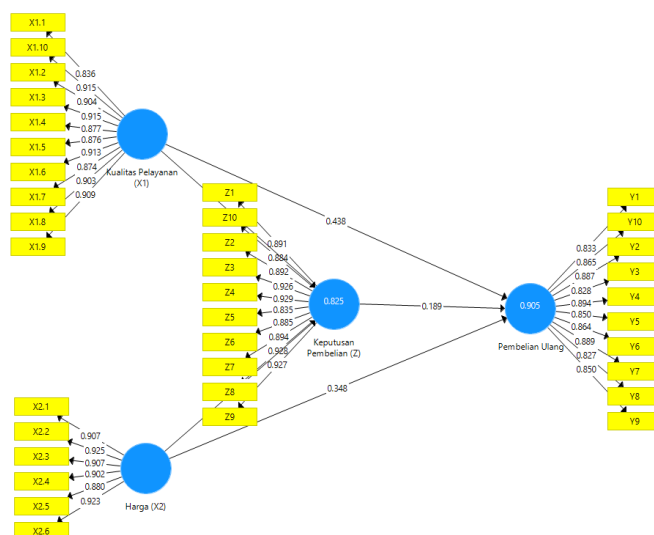

Figure 1. Evaluation of the Outer Model

1) Convergent Validity

Convergent validity testing uses outer loading or loading factor values. Convergent validity test if the outer loading value is >0.7. Based on this explanation, the following is the convergent validity value of this research.

Tabel 1. Convergent Validity

Indicator	Loading Factor	Criterion	Information
X1.1	0.836	0,7	Valid
X1.2	0.904	0,7	Valid
X1.3	0.915	0,7	Valid
X1.4	0.877	0,7	Valid
X1.5	0.876	0,7	Valid
X1.6	0.913	0,7	Valid
X1.7	0.874	0,7	Valid
X1.8	0.903	0,7	Valid
X1.9	0.909	0,7	Valid
X1.10	0.915	0,7	Valid
X2.1	0.907	0,7	Valid
X2.2	0.925	0,7	Valid
X2.3	0.907	0,7	Valid
X2.4	0.902	0,7	Valid
X2.5	0.880	0,7	Valid
X2.6	0.923	0,7	Valid
Z1	0.891	0,7	Valid
Z2	0.892	0,7	Valid
Z3	0.926	0,7	Valid
Z4	0.929	0,7	Valid
Z5	0.835	0,7	Valid

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Indicator	*Loading Factor*	Criterion	Information
Z6	0.885	0,7	Valid
Z7	0.894	0,7	Valid
Z8	0.928	0,7	Valid
Z9	0.927	0,7	Valid
Z10	0.884	0,7	Valid
Y1	0.833	0,7	Valid
Y2	0.887	0,7	Valid
Y3	0.828	0,7	Valid
Y4	0.894	0,7	Valid
Y5	0.850	0,7	Valid
Y6	0.864	0,7	Valid
Y7	0.889	0,7	Valid
Y8	0.827	0,7	Valid
Y9	0.850	0,7	Valid
Y10	0.865	0,7	Valid

Source: Primary data processed, 2025

Based on Table 1, it shows that the value of all indicators is greater than the criterion of 0.7, meaning that all indicators of this research variable pass the convergent validity test.

2) Discriminant Validity

This discriminant validity test uses a cross loading value. An indicator is declared to meet discriminant validity if the indicator's cross loading value on that variable is the largest compared to other variables. The following is the cross loading value of each indicator:

Tabel 2. Discriminant Validity

	Repurchase (Y)	Price (X2)	Purchase Decision (Z)	Quality of Service (X1)
X1.1	0.794	0.815	0.708	0.836
X1.10	0.847	0.855	0.756	0.915
X1.2	0.822	0.827	0.779	0.904
X1.3	0.850	0.855	0.754	0.915
X1.4	0.859	0.864	0.824	0.877
X1.5	0.832	0.846	0.843	0.876
X1.6	0.851	0.875	0.819	0.913
X1.7	0.845	0.853	0.851	0.874
X1.8	0.842	0.879	0.829	0.903
X1.9	0.827	0.840	0.785	0.909
X2.1	0.843	0.907	0.812	0.881
X2.2	0.874	0.925	0.848	0.890
X2.3	0.861	0.907	0.835	0.872
X2.4	0.851	0.902	0.824	0.844
X2.5	0.806	0.880	0.769	0.816

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	Repurchase (Y)	Price (X2)	Purchase Decision (Z)	Quality of Service (X1)
X2.6	0.859	0.923	0.822	0.887
Y1	0.833	0.790	0.731	0.756
Y10	0.865	0.804	0.790	0.817
Y2	0.887	0.815	0.754	0.796
Y3	0.828	0.795	0.749	0.823
Y4	0.894	0.839	0.796	0.845
Y5	0.850	0.768	0.754	0.790
Y6	0.864	0.830	0.794	0.812
Y7	0.889	0.830	0.799	0.822
Y8	0.827	0.800	0.746	0.806
Y9	0.850	0.766	0.758	0.788
Z1	0.788	0.800	0.891	0.769
Z10	0.772	0.780	0.884	0.770
Z2	0.768	0.781	0.892	0.771
Z3	0.839	0.840	0.926	0.847
Z4	0.841	0.853	0.929	0.832
Z5	0.807	0.811	0.835	0.812
Z6	0.772	0.773	0.885	0.765
Z7	0.764	0.780	0.894	0.770
Z8	0.836	0.838	0.928	0.846
Z9	0.839	0.852	0.927	0.831

Source: Primary data processed, 2025

Based on table 2, it can be seen that each indicator in this study variable has the largest outer loading value compared to the cross loading value of other variables. The results can be stated that the indicators in this study have good discriminant validity in compiling their respective variables.

3) Average variance extracted (AVE)

Discriminant validity can also be determined through other methods, namely by looking at the average variance extracted (AVE) value. The indicator is declared to meet the average variance extracted (AVE) if it has a value of >0.5. Here's table 3:

Tabel 3. Average Variance Extracted (AVE)

Variabel	Average Variance Extracted (AVE)
Price (X2)	0.738
Purchase Decision (Y)	0.824
Quality of service (X1)	0.809
Repurchase (Z)	0.797

Source: Primary data processed, 2025

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Based on Table 3, it is shown that all variables, namely Service Quality, Price, Purchase Decision and Repurchase have an Average Variance Extracted (AVE) value of > 0.5 so that all variables can be declared to meet the Average Variance Extracted (AVE) requirements and declared to have passed the discriminant validity test.

4) Composite Reliability

A variable is declared to meet composite reliability if it has a composite reliability value of >0.7. The following are the composite reliability values of the variables in this study:

Tabel 4. Composite Reliability

Variabel	Composite reliability
Price (X2)	0.966
Purchase Decision (Y)	0.966
Quality of service (X1)	0.977
Repurchase (Z)	0.975

Source: Primary data processed, 2025

Based on Table 4, it shows that all variables, namely Service Quality, Price, Purchase Decision and Repurchase have a composite reliability value of > 0.7 so that it can be stated that all variables meet the requirements of the composite reliability test.

5) Cronbach Alpha

The reliability test with the composite reliability above can be strengthened by using cronbach alpha. A variable is declared reliable or meets cronbach alpha if it has a value of >0.7. Here is the cronbach alpha value of each variable:

Tabel 5. Cronbach Alpha

Variabel	Cronbach Alpha
Price (X2)	0.960
Purchase Decision (Y)	0.957
Quality of service (X1)	0.974
Repurchase (Z)	0.972

Source: Primary data processed, 2025

Based on Table 5, it is shown that all variables, namely Service Quality, Price, Purchase Decision and Repurchase have a Cronbach alpha value of > 0.7 so that it can be concluded that all statements are reliable, with a consistent meaning that can be trusted to be used in research.

Inner Model Testing

The evaluation of the structural model (Inner Model) was carried out using Coefficient Determination (R2), Goodness of Fit Test, and Hypothesis Test (Direct Effect and Indirect Effect), the following is the proposed PLS program model scheme:

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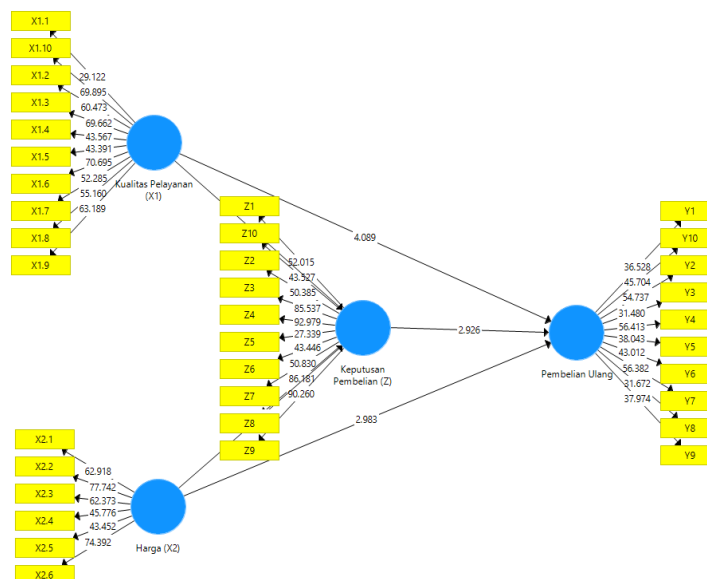

Figure 2. Inner Model Evaluation

1) Coefficient of Determination (R2)

The magnitude of the coefficient determination (R2) is used to measure how much a dependent variable is affected by other variables. Based on the data processing that has been carried out using smartPLS, the R-Square value is obtained as follows:

Table 6. R Square

Variabel	R Square	R square Adjusted
Repurchase	0.905	0.904
Purchase Decision	0.825	0.824

Source: Primary data processed, 2025

The first R-Square was used to see the magnitude of the influence of service quality and price on purchase decisions with a value of 0.825 and was declared to have a value in the good category, meaning that the variability of purchase decisions can be explained by the quality of service (X1) and price (X2) of 82.5%.

Then the second R-square is used to see the influence of the variables of service quality, price and purchase decision on Repurchase with a value of 0.905 and is declared to have a value in the good category, meaning that the variability of Repurchase can be explained by service quality (X1), price (X2) and purchase decision (Y) of 90.5%.

2) Goodness of Fit

The assessment of good of fit is known from the Q-square value. The value of Q-Square has the same meaning as the coefficient determination (R-Square) in regression analysis, where the higher the Q_Square, the better the model can be said to be the better or more fit the data. The results of the calculation from Q-Square are as follows:

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$$
\begin{aligned}
Q2 \quad &= 1 - (1 - R12)\,(1 - R22) \\
&= 1 - (1-0,825)\,(1-0,905) \\
&= 1 - (0,175)((0,095) \\
&= 1 - 0,0166 \\
&= 0,98
\end{aligned}
$$

Based on the results of the calculation above, a Q-Square value of 0.98 or 98% was obtained, this shows the magnitude of diversity of research data that can be submitted by the research model of 98%, while the remaining 2% is explained by other factors outside this study. Thus, from these results, this research model can be stated to have a very good goodness of fit.

3) Hypothesis Test

In this study, there is a direct and indirect influence because there are independent variables, dependent variables, and intervening variables.

a. Direct Influence

The direct influence in this study proposes as many as 5 hypotheses. Hypothesis testing using bootstrapping analysis techniques. Through the results of the statistical t obtained, a significant level of influence can be obtained between independent variables and dependent variables. If the statistical t-value > 1.97, the effect is significant. Furthermore, through the results of the P Value obtained by the P Value of each variable < 0.05, the effect is significant. The positive influence can be seen through the Original Sample. The results of the direct influence test summary are as follows:

Table 7. Results of Direct Influence Hypothesis Test

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
Quality of Service (X1) -> Purchase Decision (Y)	0.438	0.437	0.107	4.089	0.000
Price (X2) -> Purchase Decision (Y)	0.348	0.356	0.117	2.983	0.003
Quality of service (X1) -> Repurchase (Z)	0.347	0.352	0.105	3.293	0.001
Price (X2) -> Repurchase Z)	0.572	0.565	0.109	5.251	0.000
Purchase Decision (Y) -> Repurchase (Z)	0.189	0.182	0.065	2.926	0.004

Source: Primary data processed, 2025

Based on table 7 above, the results demonstrate that both service quality and price significantly influence purchase decisions. The t-statistical value for service quality (X1) is 4.089 with a p-value of 0.000, supporting H1 and aligning with SERVQUAL theory (Parasuraman, Zeithaml & Berry, 1988) and research by Sari & Lestari (2019) and Putra (2021). Similarly, price (X2) shows a significant effect with a t-value of 2.983 and a p-value of 0.003, accepting H2, which is consistent with the Price-Quality Inference theory (Monroe, 1990) and findings from Bakır et

al. (2024). For PT OCS Global Services, this implies that improving tangible service aspects and maintaining a competitive, transparent price structure are crucial for winning clients.

Furthermore, the analysis confirms that both service quality and price also have a significant direct impact on repurchase intention. Service quality affects repurchase (Z) with a t-value of 3.293 (p-value 0.001), supporting H3, a relationship explained by Expectation-Confirmation Theory (Oliver, 1997) and corroborated by Bakır et al. (2024). Price also significantly affects repurchase with a stronger t-value of 5.251 (p-value 0.000), leading to the acceptance of H4, in line with Customer Value theory (Zeithaml, 1988) and Oliver's (1997) satisfaction theory. This indicates that for PT OCS Global Services, consistent service excellence and a value-proportionate pricing policy are key drivers for client retention and contract renewal.

Finally, the purchase decision itself (Y) significantly influences repurchase (Z), with a t-value of 2.926 and a p-value of 0.004, thereby accepting H5. This finding aligns with the Consumer Decision-Making Process (Kotler & Keller, 2016) and is reinforced by Oliver's (1997) theory, where a satisfactory initial decision fosters loyalty. Research by Bakır et al. (2024) also supports this path-dependent behavior. In practical terms, this means that for PT OCS Global Services, successfully guiding a client through a positive first purchase experience—by ensuring quality service and fair pricing—creates a foundation for long-term loyalty and repeated business engagements.

b. Indirect Influence

The results of the study show that the purchase decision acts as a mediating variable between service quality and price to repurchase. This means that the influence of service quality and price is not only felt directly by consumers, but is also strengthened through the decision-making process carried out before finally deciding to make a repurchase.

According to Kotler & Keller (2016) in the theory of the Consumer Decision-Making Process, the purchase decision process is an important stage that connects consumers' perception of the attributes of a product or service (e.g. quality of service and price) with future purchasing behavior. Consumers who rate the quality of service as high and price according to the value received will be more likely to make positive purchasing decisions, which in turn increases the chances of a repeat purchase.

The theory of Customer Satisfaction and Loyalty by Oliver (1997) also supports this finding. Oliver emphasizes that the satisfaction formed from the right purchasing decision will develop into long-term loyalty. Thus, purchasing decisions serve as a bridge that transforms consumers' positive perceptions of service quality and price into repurchase behavior.

The findings of this study are also consistent with Bakir et al, (2024) in the context of the aviation industry, where service quality and price have been shown to increase repurchase through the mediation of satisfaction and purchase decisions. This shows that the purchase decision is not just an end product, but an important mechanism that strengthens the relationship between marketing factors and customer loyalty.

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In the context of PT OCS Global Services, the client's decision to choose cleaning services based on the quality of service and price offered becomes the determining factor whether they will extend the contract or make a repurchase. In other words, the better the client's experience in the purchase decision process, the more likely it is to build long-term loyalty.

Indirect effect testing, the results of the analysis can be seen using the bootstrapping technique, because in mediation testing (e.g. X→Z→Y), the distribution of indirect effects is usually abnormal. Traditional tests such as the Sobel test are often less accurate because they assume a normal distribution. Bootstrapping does not require the assumption of normality, but rather uses resampling techniques to generate an estimate of the empirical distribution of the mediating effect. Advantages of bootstrapping in mediation: Provides a confidence interval for indirect effects. More accurate and robust than the Sobel test or the regular z test. And it is used in modern SEM analysis software, e.g. Smart PLS.

The results of the Indirect Influence Hypothesis Test are as follows:

Table 8. Indirect Influencing Hypothesis Test Results

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
Quality of service (X1) -> Purchase Decision (Y) -> Repurchase (Z)	0.066	0.064	0.031	2.093	0.037
Price (X2) -> Purchase Decision (Y) -> Repurchase (Z)	0.108	0.103	0.041	2.609	0.009

Source: Primary data processed, 2025

Based on table 8 above, service quality significantly influences repurchase through the mediating role of purchase decisions, as evidenced by a t-statistical value of 2.093 and a p-value of 0.037, leading to the acceptance of H6. This aligns with the Consumer Decision-Making Process (Kotler & Keller, 2016), where positive service quality shapes the initial purchase decision, which in turn forms the basis for future repurchases, a concept further supported by Oliver's (1997) Customer Loyalty theory and research by Bakır et al. (2024). For PT OCS Global Services, this underscores that consistent service quality is essential not only for attracting clients but also for fostering the positive decision-making process that ultimately leads to contract renewals and repeat business.

Similarly, price has a significant indirect effect on repurchase through purchase decisions, with a t-value of 2.609 and a p-value of 0.009, resulting in the acceptance of H7. This finding is consistent with Customer Value theory (Zeithaml, 1988), where a perceived fair price-to-quality ratio encourages a positive purchase decision, which then increases repurchase intention, a mechanism also observed in the aviation industry by Bakır et al. (2024) and explained through the lens of loyalty formation by Oliver (1997). Therefore, for PT OCS Global Services, implementing a competitive and transparent pricing strategy that matches service quality is crucial not merely

for winning initial tenders but for reinforcing the client's decision pathway, thereby building long-term loyalty and encouraging repurchase.

Discussion of Research Results

The findings from this study reveal several critical insights into customer behavior in the facility management industry. Notably, the analysis demonstrates that price exerts a stronger direct influence on repeat purchase ($\beta=0.572$) compared to service quality ($\beta=0.347$). This finding is particularly significant in the context of B2B facility management services, where procurement decisions are often governed by budget constraints and contractual obligations. Unlike consumer markets where emotional factors and brand loyalty may dominate, corporate clients in the facility management sector must justify their purchasing decisions through cost-benefit analyses and demonstrate value to stakeholders. The dominance of price sensitivity in this industry reflects the competitive tendering processes common in B2B contracts, where even small price differentials can determine contract awards. However, this should not diminish the importance of service quality, which plays a crucial mediating role through its impact on purchase decisions. The following sections provide detailed interpretations of each hypothesis test within this industry-specific context.

The effect of service quality on purchasing decisions

The results of the analysis show that the quality of service has a significant effect on the purchase decision of PT OCS Global Services' Facility Management services. This is evidenced by a statistical t-value of 4.089 greater than the t-table (1.97) and a P-value of $0.000 < 0.05$. This means that the better the quality of services provided by the company, the higher the purchase decisions made by customers.

The results of this study are in line with the research of Antari & Pratiwi (2022), Ari Widiartini et al. (2023) who stated that service quality is an important factor that can encourage customers to make purchase decisions. Good service quality such as speed, accuracy, and employee-friendly attitude will provide satisfaction and comfort for customers, thus encouraging them to decide to buy the services offered. In the facility management context, service quality dimensions such as reliability and responsiveness are particularly critical because clients depend on these services for their daily operations. A service failure in cleaning, security, or maintenance can directly disrupt business activities, making service quality a non-negotiable factor in the initial purchase decision stage.

The influence of price on purchasing decisions

The results of the analysis show that the price has a significant effect on the purchase decision at PT OCS Global Services. The t-statistical value of 2.983 is greater than the t-table (1.97) and the P-value is $0.003 < 0.05$. This shows that the right pricing policy will influence customers in making purchasing decisions.

This research is in line with the findings of Busyairi (2021) who stated that price is one of the main considerations of customers before making a purchase. Customers tend to judge the suitability between price and the benefits obtained. If the price set is considered commensurate

with the quality of service, then customers will be more confident to make a purchase. The significance of price in B2B facility management is amplified by the fact that these services represent recurring operational expenses in corporate budgets. Companies must ensure that facility management costs align with their financial planning and provide demonstrable return on investment. Therefore, transparent and competitive pricing structures are essential for convincing corporate decision-makers during the procurement process.

The effect of service quality on repurchases

The results of the analysis show that the quality of service has a significant effect on the repurchase of PT OCS Global Services. The t-statistical value of 3.293 is greater than the t-table (1.97) and the P-value of 0.001 < 0.05. This means that the better the quality of service that customers feel, the higher their desire to make a repeat purchase.

This finding is in accordance with research by Antari & Pratiwi (2022), Alfarisi (2023) which states that customers who are satisfied with the company's services tend to have loyalty and are committed to making repeat purchases. Satisfactory service creates a positive experience that makes customers more confident and not hesitate to use the service in the next period. In long-term facility management contracts, consistent service quality becomes the foundation of trust. Corporate clients evaluate service providers not only on initial performance but on sustained quality over the contract period. This explains why service quality, despite having a smaller direct effect than price, remains crucial for retention and contract renewals.

The effect of price on repurchases

The results of the analysis show that the price has a significant effect on the repurchase of PT OCS Global Services. The t-statistical value of 5.251 is greater than the t-table (1.97) and the P-value is 0.000 < 0.05. This proves that price is one of the dominant factors in determining customer intent to repurchase services.

These results are in line with the research of Asnawa (2024), Busyairi (2021) who stated that competitive prices and in accordance with service quality can increase customer loyalty. Customers will feel that they get more value if the price of the service is considered fair, so they will be more likely to make a repeat purchase even if there are other service providers in the market. The strong influence of price on repeat purchase ($\beta=0.572$) can be attributed to the commoditization trend in the facility management industry. As services become increasingly standardized, price becomes a primary differentiator. Furthermore, in contract renewal situations, corporate clients often conduct competitive bidding processes where incumbent providers must justify their pricing against new market entrants. This creates continuous price pressure that makes it the dominant factor in retention decisions. However, this finding also suggests a potential risk: over-reliance on price competition without maintaining service quality could lead to a "race to the bottom" that erodes profitability and service standards across the industry.

The Effect of Service Quality and Price on Repeat Purchases Through Purchase Decisions as Intervening Variables in Facility Management Company PT OCS Global Services

The effect of purchase decisions on repurchase

The results of the analysis show that the purchase decision has a significant effect on the repurchase of PT OCS Global Services. The t-statistical value of 2.926 is greater than the t-table (1.97) and the P-value is $0.004 < 0.05$. This means that a customer's decision to purchase a service contributes positively to their tendency to make a repeat purchase.

This research supports the findings of Alfarisi (2023) who stated that purchasing decisions based on positive experiences will increase the chances of repurchases. The more confident the customer is in their previous purchase decisions, the more likely they are to continue using the company's services. This finding highlights the importance of the initial purchase experience in B2B relationships. When corporate clients make their first purchase decision, they invest not only financial resources but also organizational effort in vendor onboarding, relationship building, and process integration. A positive initial experience validates this investment and creates path dependency, making it more likely for clients to continue the relationship rather than incur switching costs by changing providers.

The effect of service quality on repurchase through purchase decisions

The results of the analysis show that service quality has a significant effect on repurchase decisions through purchase decisions at PT OCS Global Services. The t-statistical value of 2.093 is greater than the t-table (1.97) and the P-value is $0.037 < 0.05$. This means that purchase decisions are proven to mediate the influence of service quality on repurchases.

This is in line with research by Ari Widiartini et al. (2023) who stated that good service quality encourages customers to make the right purchase decisions, and these decisions ultimately increase the chances of customers making repeat purchases. The mediating role of purchase decisions reveals that service quality does not automatically translate into repeat purchases. Instead, service quality must first influence the client's evaluation and decision-making process, which then leads to contract renewal. This sequential process is characteristic of B2B purchasing behavior, where decisions are typically made through formal evaluation procedures involving multiple stakeholders. Therefore, facility management companies must not only deliver quality service but also ensure that this quality is recognized and valued during clients' periodic contract review processes.

The influence of price on repurchase through purchase decisions

The results of the analysis show that the price has a significant effect on the repurchase decision of PT OCS Global Services. The t-statistical value of 2.609 is greater than the t-table (1.97) and the P-value of $0.009 < 0.05$. Thus, the purchase decision is proven to mediate the influence of price on repurchases.

These findings support the research results of Busyairi (2021), Asnawa (2024) that customers' perceptions of appropriate prices will encourage them to be more confident in making purchase decisions, and these decisions then strengthen customers' intentions to make a repurchase. The mediation effect indicates that competitive pricing alone is insufficient; clients

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must perceive the price as justified through the purchase decision evaluation process. This suggests that facility management providers should focus on demonstrating value-for-money through transparent cost breakdowns, performance metrics, and comparative analyses. By helping clients understand and justify their purchasing decisions, providers can strengthen the link between competitive pricing and long-term retention.

This study reveals that while price exerts the strongest direct influence on repeat purchases in the facility management industry, both service quality and price work synergistically through the mediating mechanism of purchase decisions. The dominance of price reflects the competitive, contract-driven nature of B2B facility management procurement. However, service quality remains essential for creating positive purchase experiences that validate clients' decisions and encourage contract renewals. For PT OCS Global Services, this suggests a dual strategy: maintain competitive pricing to win initial contracts and secure renewals, while simultaneously delivering consistent service quality to build trust and justify pricing through demonstrated value. This balanced approach is particularly critical in an industry where switching costs are relatively low and clients regularly evaluate alternative providers through competitive tendering processes.

CONCLUSION

The analysis revealed that service quality and price significantly influenced purchasing decisions at PT OCS Global Services, with t-values of 4.089 and 2.983 and p-values below 0.05, respectively. Both factors also had a significant impact on repurchases, supported by t-values of 3.293 and 5.251 and p-values under 0.05. Additionally, purchase decisions significantly affected repurchases (t = 2.926, p = 0.004). Importantly, purchase decisions mediated the relationship between service quality and price on repurchases, as indicated by significant t-values (2.093 and 2.609) and p-values (0.037 and 0.009) below the threshold. Future research could explore other potential mediators or moderators, such as customer satisfaction or trust, to deepen understanding of the mechanisms driving repeat purchases in the facility management industry.

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