

CHAPTER I

INTRODUCTION

1.1 Background

Over the past few years, the coaching industry has undergone substantial transformation due to the COVID-19 pandemic, particularly marked by a significant rise in online coaching practices worldwide. This approach is projected to remain the predominant format in the post-pandemic era (Michalik & Schermuly, 2024). Coaches who had adopted digital coaching prior to 2020 were better positioned to adapt when lockdowns were introduced. Having already developed the necessary technical skills and familiarity with relevant software, they were able to transition smoothly. As a result, it is suggested that those with prior online coaching experience, experienced fewer negative effects from the pandemic and were more likely to gain advantages, such as increased revenue and a larger client base (Passmore et al., 2023).

With the increasing adoption of online coaching, many companies, including Herbalife, have begun leveraging digital technology to expand their services, especially in the health and fitness sector. As a globally recognized company, Herbalife Nutrition utilizes the Multi-Level Marketing (MLM) model as its primary marketing strategy to reach consumers worldwide. The MLM model leverages a hierarchical structure where distributors, or 'members', recruit new participants into the system. This structure facilitates the expansion of the network by enabling individuals to earn income not only through product

sales but also by earning commissions from recruits, thereby amplifying the reach and scalability of the business. As a result, MLM companies benefit from a growing customer base and a self-perpetuating sales force (Reingewertz, 2021). Herbalife has implemented MLM to tap into the global market, where each individual who joins the network can become part of their online training system, offering health and nutrition products while earning commissions from personal sales and recruitment. In this context, online training becomes a highly effective tool to introduce products and build loyalty among customers, while also increasing engagement with members through online seminars and training sessions.

However, despite the potential for significant profits, challenges arise when service quality and customer satisfaction begin to decline. This is particularly relevant in business models like Herbalife's which rely heavily on maintaining long term relationships with customer through consistent engagement and trust. Negative user experiences, as reflected in online reviews, suggest recurring issues in both Customer Relationship Management (CRM) and service quality. Complaints include lack of genuine coaching support, deceptive sales tactics, and a focus on financial gain over customer well being. These issues indicate failures in understanding and responding to customer needs as well as in delivering reliable and empathetic service, both of which are critical components of CRM and service quality. The importance of addressing these shortcomings becomes evident through real user feedback as follows:



Mannie
San Leandro, CA

Reviewed July 14, 2023

I got signed up as a preferred member which my distributor/coach me the wrong information. I wanted change my coach after signing up on the same day due to his unprofessional behavior, getting personal and being flirtish on the phone (Ricardo **). I called Herbalife and filed complaint against him and asked to change my coach to avoid any communication with him and explained them the situation, after talking to multiple people they gave me two options which is to work with him or cancel my membership. [More](#)

Thanks Mannie (73) Report



Maria
Vero Beach, FL

Reviewed May 30, 2021

New customer to this company but so disappointed in the services they offer & how they rip you off on the products they sell. They are junk!. They don't care about you as a new client. Only see you as a bag of \$\$\$.

Thanks Maria (20) Report



Aishwarya Murugesan
IN • 1 review

Apr 11, 2022

Hello Herbalife **coach**

Hello Herbalife **coach**, this too get into your notice that I'm getting harassed by one of your certified **coach** Mr Sree Raj... I took my UMS from him in the month of Nov Dec and there is unwanted personal talks and photos shared from his end... This is third time he harassed me.. I want you to take necessary action on this.. Henceforth I'm posting the same on Herbalife India website as feedback as well... Thank you

April 10, 2022 Unprompted review

Useful 1



Peaches
US • 2 reviews

Nov 18, 2021

I know someone that worked for this...

I know someone that worked for this company partnered with a **coach** who literally was sneaky and undermining to get ahead.in this business they allow the coaches to do whatever it takes to make the company money. I have seen people use people to open up a nutrition shop with their own money and then undermine to slide in and take over with no buy out fees. Never did any coaching on selling and creating products, they are just like scavengers looking for their next prey. The company was made aware of this going on and never took the initiative to correct the problem. In my opinion this is not a good company to work for.

November 17, 2021 Unprompted review



Joanne berry
GB • 5 reviews

27 Jun 2023

this is a scam

this is a scam . do not buy any products , they do not work . my coach was only interested in the money she would make on my purchase , she would tell me to peg my top at the sides and back to make me look bigger on pictures for her portfolio and then take another picture without pegs on my clothes to make it look like the weight had dropped of me , also these coaches think they are higher than drs and proper weight managment people . basically it's just a cult , stay away from herbal life and eat a normal balanced diet with a bit of wat you **fancy** now and again

Date of experience: 17 June 2023



Scott Bryant
GB • 77 reviews

21 Sept 2021

Personal Trainer And coaches Big Rip Off

Asking personal trainer and coaches to see and pyramid marketing and do net working marketing rip off for personal trainer **coach** you only spend some time and get clients but you have put all time in to and not get pay any thing if get some one you get £20 but have pay £40 for license and then like to do program money use self for £120 if big rip off you want make money at all dont do it all pt personal trainer and **coach** dont get rip off

Date of experience: 21 September 2021

Figure 1.1 Herbalife Negative Customer Review

Source: trustpilot.com & consumeraffairs.com

The negative customer feedback shown above illustrates more than just dissatisfaction with specific experiences. In the context of online coaching at Herbalife, such feedback can lead to broader consequences, particularly in the performance of coaches who act as Sales Leaders within the MLM structure. When customer disengage due to poor support or lack of personalization, coaches lose momentum in retaining customers and generating consistent sales.

However, to provide a more balanced perspective, this study does not only focus on negative customer experiences. Positive customer reviews will also be included to complement the criticism and to provide a more objective overview of customer perceptions toward Herbalife products and its online coaching services. Therefore, several examples of positive customer reviews presented as follows:



Courtney Harkness
GB · 4 reviews

Oct 27, 2025



This is the best form of weight loss...

This is the best form of weight loss I've ever done. I'm a week into it and I've lost 2.1kg and I'm feeling great, energized and glowing!

I have a **coach** who guides me throughout Herbalife!

October 26, 2025

Unprompted review



amanda
GB · 22 reviews

Oct 14, 2022



I love Herbalife especially if you find...

I love Herbalife especially if you find a **coach** that gives you lots of advice regularly. I've lost 2 kg and have lots of energy now and I know I'm getting all my vitamins I need. It gives me lots of energy to start exercising again and I sleep so well now. Can be used as weight management and to improve your muscle mass. Highly recommend this. No symptoms whatsoever apart from lots of positive's

October 13, 2022

Unprompted review



J.m
GB · 3 reviews

Jan 7, 2021



Best lifestyle change ever

I absolutely love this plan! It's changed my life for the better and even when I'm at my target I'll continue as it's has so many health benefits. The support from coaches is second to none, please make sure you purchase directly from someone to help guide you through and not a big online selling site as this was a mistake made by me at the start but now I have the support of a **coach** and community!

January 7, 2021

Unprompted review



Kelly Louise Tremlett
GB · 1 review

Updated Jan 7, 2021



Life changing

Life changing! I didn't even know that they also have medically backed products that lower cholesterol! So much support and guidance too. Forever grateful. My advice is to Find yourself a **coach** to tailor your plan rather than buy online.

January 7, 2021

Unprompted review





Useful
Share

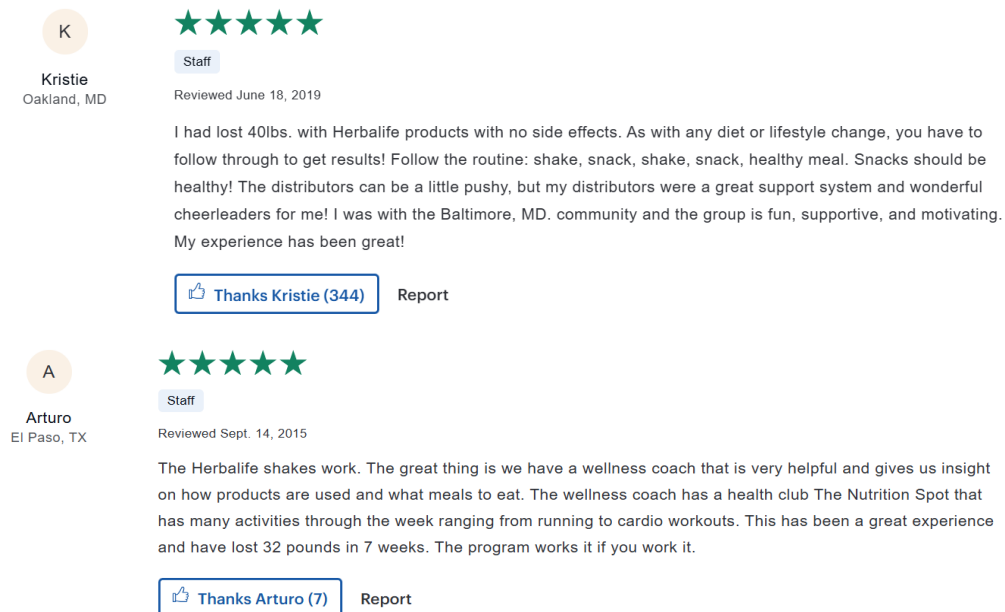


Figure 1.2 Herbalife Positive Customer Review

Source: [trustpilot.com](https://www.trustpilot.com) & [consumeraffairs.com](https://www.consumeraffairs.com)

The reviews presented above indicate that Herbalife's online coaching system can also generate positive customer experiences. Several customers mention improvements in weight loss progress, increased energy, and meaningful lifestyle changes after joining the program. In addition, reviewers often emphasize the role of coaches who provide continuous guidance and motivation throughout the process. This suggests that when coaching support is delivered consistently and personally, Herbalife's service can strengthen customer engagement and lead to higher satisfaction.

Herbalife operates through community-based platforms known as Nutrition Clubs, which function as the frontline of interaction between distributors and customers. A Nutrition Club is a membership-based community managed by

independent Herbalife distributors, designed to provide a structured environment where customers can consume products, receive coaching, and participate in health-related activities. In practice, Nutrition Clubs serve not only as spaces for product usage but also as centers for relationship development, lifestyle education, and continuous customer engagement.

It should be noted that the online customer reviews presented in this study were obtained from public platforms and reflect general consumer experiences toward Herbalife globally. These reviews are not intended to represent the specific condition of Rimbun Herbalife Nutrition Club Bekasi. Instead, they are used only as preliminary phenomena to illustrate the importance of customer relationship management and service quality in online coaching services. The main analysis of this research is based on primary data collected directly from customers of Rimbun Herbalife Nutrition Club Bekasi through questionnaires.

Understanding this dynamic necessitates examining three interconnected concepts: Customer Relationship Management (CRM), service quality, and customer satisfaction. Customer Relationship Management is a strategic business approach aimed at enhancing profitability, revenue, and customer satisfaction by aligning organizational structures with customer segments, encouraging customer-oriented behavior, and applying processes that prioritize customer needs (Buttle, 2008). Meanwhile, service quality can be understood as the extent to which the actual service provided aligns consistently with what customers expect. Delivering high quality service therefore requires organizations to continuously meet or exceed

these expectations over time (Parasuraman et al., 1985). Customer satisfaction refers to the emotional response of customers that arises from evaluating the perceived performance of a product or service in relation to their prior expectations. When performance matches or exceeds expectations, customers are more likely to feel satisfied, which in turn influences their loyalty and future engagement (Oliver & Oliver, 1980).

To explain the relationship between CRM, service quality, and customer satisfaction in this context, this study draws upon several theoretical frameworks. The Expectation-Disconfirmation Theory (Oliver & Oliver, 1980). suggest that satisfaction arises when perceived service performance meets or exceeds expectations. The CRM Value Chain (Buttle, 2008). emphasizes the importance of aligning organizational processes with customer needs to deliver sustained value. Lastly, the SERVQUAL model (Parasuraman et al., 1985). Provides a reliable structure to assess service quality dimensions and their impact on satisfaction.

Several previous studies have employed alternative theoretical frameworks such as the Theory of Reasoned Action (TRA), Attitude Theory, and Congruity Theory to examine the effects of Customer Relationship Management and service quality on customer behavior. For example, (Kusumawati & Rahayu, 2020) used Attitude Theory and TRA to analyze how experience quality affects perceived value, customer satisfaction, and loyalty. In another study, (Bupu et al., 2023) applied Congruity Theory to explain how the alignment of customer values with service offerings can influence trust and satisfaction. However, these theories

generally emphasize behavioral intention, attitudinal formation, or value alignment, which are more suited for explaining consumer decision-making in short-term or transactional settings. They are less appropriate for analyzing customer satisfaction in long-term service environments like online coaching, which requires continuous interaction, personalized service, and trust. Therefore, this study adopts the Expectation-Disconfirmation Theory, SERVQUAL model, and CRM Value Chain framework because they provide a more suitable theoretical basis for understanding customer satisfaction that emerges from ongoing service experiences and structured relationship management, as found in Herbalife Nutrition's online coaching services.

While CRM and service quality have been widely examined in various conventional service industries, there is still limited research that focuses on how these variables influence customer satisfaction in online coaching services, especially those operating within multi-level marketing models like Herbalife. The unique nature of online coaching, which relies heavily on continuous digital interaction, personalization, and trust-building, presents specific challenges that differ from typical service encounters. Therefore, based on the background, data, and existing phenomena, the author is conducting a thesis entitled: **“The Influence of Customer Relationship Management and Service Quality on Customer Satisfaction in Online Coaching Services: STUDY ON CUSTOMER OF RIMBUN HERBALIFE NUTRITION CLUB BEKASI.”**

1.2 Problem Statement

Based on the data and existing phenomena described, the presence of customer dissatisfaction indicates potential issues in the implementation of service strategies. Therefore, the problem formulation in this study is as follows:

1. Does Customer Relationship Management (CRM) have a significant effect on customer satisfaction in online coaching services?
2. Does service quality have a significant effect on customer satisfaction in online coaching services?
3. Does Customer Relationship Management (CRM) and service quality simultaneously have a significant effect on customer satisfaction in online coaching services?

1.3 Research Objectives

This study aims to determine and analyze the effect of Customer Relationship Management (CRM) and service quality on customer satisfaction in online coaching services. Specifically, the objectives of this study are:

1. To determine the effect of Customer Relationship Management (CRM) on customer satisfaction in online coaching services.
2. To determine the effect of service quality on customer satisfaction in online coaching services.
3. To analyze the simultaneous effect of CRM and service quality on customer satisfaction in online coaching services.

1.4 Research Benefits

This research is expected to provide several uses, both from an academic and practical perspective, as follows:

1. For Academics

This research is expected to enrich the body of knowledge in the field of marketing management, particularly regarding the influence of Customer Relationship Management (CRM) and service quality on customer satisfaction. The findings of this study can serve as a reference for future research on digital services, especially within the context of online coaching.

2. For Practical Applications

The results of this study can be used as a reference for online coaching businesses in designing and improving CRM strategies and service quality to enhance customer satisfaction more effectively.

3. For Service Improvement

This research contributes to encouraging the quality of digital interactions between service providers and customers, thereby creating a service experience that feels more relational, customer-focused, and emotionally engaging in the digital era.

1.5 Theoretical Framework

A theoretical framework is a methodical examination of concepts, definitions, and proportions that serve as the foundation for the explanation of a

phenomenon or research (Sugiyono, 2018). The theory in this investigation is explicated as follows:

1.5.1 Customer Relationship Management

CRM is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high-quality customer-related data and enabled by information technology (Buttle, 2008).

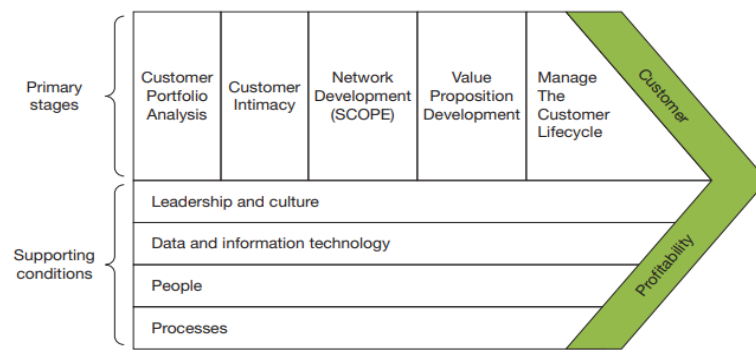


Figure 1.3 Buttle CRM Value Chain

Source: Buttle (2008)

The CRM model developed by Francis Buttle, shown in Figure 1.3, consists of five main stages and four supporting conditions, all aimed at improving customer profitability. The five stages are customer portfolio analysis, customer intimacy, network development, value proposition development, and managing the customer lifecycle. These stages are arranged in sequence to help companies, together with their suppliers, partners, and employees, deliver value to attract and retain profitable customers. The supporting conditions, which include leadership and culture, data

and information technology, people, and business processes, are essential to ensure that the CRM strategy functions efficiently and effectively (Buttle, 2008).

In the context of online fitness coaching, the five primary stages of Francis Buttle's CRM Value Chain model are considered relevant because they emphasize personalized service, relationship building, and long-term engagement with customer. These stages align well with how online services interact, deliver value, and maintain loyalty with their customers. Therefore, this study adopts the following five stages as CRM indicators:

1. Customer Portfolio Analysis
2. Customer Intimacy
3. Network Development
4. Value Proposition Development
5. Managing the Customer Lifecycle

1.5.2 Service Quality

The concept of service quality is defined by Berry, Parasuraman and Zeithaml as a judgment or an attitude toward the superiority of a service. The most famous service quality model is SERVQUAL, developed by Parasuraman, Zeithaml, and Berry. which consists of the following five dimensions:

1. Tangibles
2. Reliability
3. Responsiveness

4. Assurance
5. Empathy (Parasuraman et al., 1985)

1.5.3 Customer Satisfaction

Customer Satisfaction is described as the feeling of pleasure or disappointment experienced by an individual resulting from the comparison between the perceived performance of a product and their expectations (Musyaffa & Ngatno, 2019). To translate this theoretical view into measurable indicators, this study adopts the Expectation-Disconfirmation Theory. According to this theory, satisfaction arises when perceived performance meets or exceeds expectations (confirmation or positive disconfirmation), while dissatisfaction occurs when performance falls below expectations (negative disconfirmation) (Oliver, 1980)

Therefore, the operational measurement of customer satisfaction in this study is based on the following dimensions:

1. Expectation
2. Perceived Performance
3. Disconfirmation.

1.5.4 Influence of CRM on Customer Satisfaction

Customer Relationship Management (CRM) plays a vital role in increasing customer satisfaction through a personalized and consistent relationship building approach. In the context of online coaching, CRM enables coaches to better understand client preferences, deliver tailored fitness programs, and maintain communication through digital platforms. This makes customer feel valued and

understood, leading to higher levels of satisfaction. A well-structured CRM system also helps coaches track client progress, respond quickly to concerns, and build long term trust, all of which contribute significantly to customer satisfaction. CRM strategies that are integrated with data and technology help businesses create and deliver value to customers effectively, leading to improved customer relationships and satisfaction (Buttle, 2008).

1.5.5 Influence of Service Quality on Customer Satisfaction

Service quality is one of the most critical factors influencing customer satisfaction, particularly in service based industries such as online coaching. High service quality ensures that customer expectations are met consistently, which fosters trust, loyalty, and positive emotional responses. In the context of online coaching, dimensions such as responsiveness, empathy, and reliability become especially important as they shape the client's overall experience. For instance, a coach's ability to deliver timely feedback, provide individual attention, and maintain clear communication significantly enhances the perceived value of the service. This perceived quality directly influences how satisfied customer feel after using the Service quality is one of the most critical factors influencing customer satisfaction, particularly in service based industries such as online coaching. High service quality ensures reliable and effective service delivery. In the context of online coaching, the synergy of these two variables creates a strong foundation for client trust, satisfaction, and loyalty. Both CRM and service quality significantly and simultaneously enhance customer satisfaction in service based industries because they address different yet equally important aspects of the customer

experience. CRM focuses on relationship building and personalization, while service quality ensures consistency and performance of service delivery (Kurniati, 2015).

1.5.6 Influence of CRM and Service Quality on Customer Satisfaction Simultaneously

Customer Relationship Management and service quality are complementary components that jointly shape customer satisfaction. CRM enables coaches to personalize interactions and maintain engagement, while service quality ensures reliable and effective service delivery. In the context of online coaching, the synergy of these two variables creates a strong foundation for client trust, satisfaction, and loyalty. Both CRM and service quality significantly and simultaneously enhance customer satisfaction in service based industries because they address different yet equally important aspects of the customer experience. CRM focuses on relationship building and personalization, while service quality ensures consistency and performance of service delivery (Kurniati, 2015).

1.6 Previous Research

Table 1.1 Previous Research

No	Title and Researcher	Variable	Method	Results
1	The Effect of Customer Relationship Marketing and Service Quality to Corporate Image, Value, Customer Satisfaction, and Customer Loyalty (Kurniati, 2015).	Independent Variables - Customer Relationship Marketing (CRM) - Service Quality Dependent Variables - Customer Satisfaction - Customer Loyalty	Sample Customers of Islamic banks in East Java Analysis Technique Generalized Structured Component Analysis (GSCA)	1) CRM and service quality have a positive and significant effect on customer satisfaction 2) Both simultaneously influence customer loyalty
2	The Influence of Service Quality and Customer Relationship Management (CRM) on Patient Satisfaction, Brand Image, Trust and Patient Loyalty (Ida Aju Brahmasari et al., 2016)	Independent Variables - CRM - Service Quality Dependent Variables - Patient Satisfaction - Loyalty	Sample Patients at Indonesian Army Level II Hospitals Analysis Technique Structural Equation Modeling (SEM)	1) CRM and service quality significantly affect patient satisfaction 2) Satisfaction contributes to loyalty through brand image and trust

No	Title and Researcher	Variable	Method	Results
3	The Effect of Experience Quality on Customer Perceived Value and Customer Satisfaction and Its Impact on Customer Loyalty (Kusumawati & Rahayu, 2020)	Independent Variable - Experience Quality Dependent Variables - Customer Satisfaction - Customer Loyalty	Sample Visitors of outdoor cafés in Malang Analysis Technique -Partial Least Squares (PLS) -Structural Equation Modeling (SEM)	1) Experience quality significantly influences customer satisfaction and loyalty 2) Satisfaction acts as a mediating variable
4	An Examination of the Relationships Between CRM Quality, Service Quality, Customer Satisfaction and Loyalty: The Case of Five-Star Hotels (Sjahrudin, 2019)	Independent Variables: – CRM Quality – Service Quality Dependent Variables: – Customer Satisfaction – Customer Loyalty	Sample Guests of five-star hotels Analysis Technique Structural Equation Modeling (SEM)	1) CRM and service quality significantly affect customer satisfaction 2) Satisfaction mediates the relationship with loyalty

No	Title and Researcher	Variable	Method	Results
5	Towards Customer Satisfaction: The Role of Customer Relationship Management, Service Quality, and Customer Perceptions (Bupu et al., 2023)	Independent Variable: – CRM Mediating Variables: – Service Quality – Customer Perception Dependent Variable: – Customer Satisfaction	Sample: 87 customers of Jasco Logistics (Semarang) Analysis Technique: -Partial Least Squares (PLS) -Structural Equation Modelling (SEM)	1) CRM indirectly affects customer satisfaction through service quality and perception 2) Mediation effect is stronger than direct effect

1.7 Hypothesis

1. **H1:** There is a significant influence between Customer Relationship Management (CRM) on Customer Satisfaction in Online Coaching services.
2. **H2:** There is a significant influence between Service Quality on Customer Satisfaction in Online Coaching service.
3. **H3:** There is a simultaneous significant influence between Customer Relationship Management (CRM) and Service Quality on Customer Satisfaction in Online Coaching services

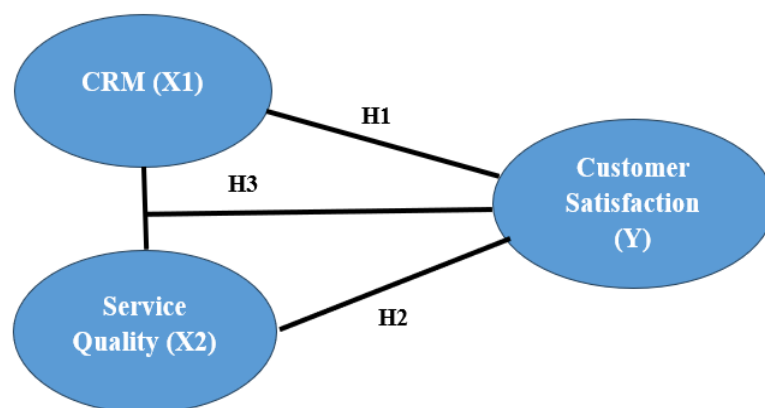


Figure 1.4 Hypothesis Model

1.8 Conceptual Definition

In this research, the concepts used refer to established theories and definitions formulated in previous studies. The purpose of defining these concepts is to provide a clear understanding of the key variables that form the foundation of this study.

Table 1.2 Conceptual Definition

Variable	Conceptual Definition	Source
Customer Relationship Management (CRM)	CRM is a strategic business process that integrates internal functions and external networks to create and deliver value to targeted customers at a profit. It is based on high-quality customer-related data and enabled by information technology.	Customer relationship management: Second edition. (Buttle, 2008b).
Service Quality	Service Quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis.	A Conceptual Model of Service Quality and its Implication for Future Research (SERVQUAL) (Parasuraman et al., 1985b).

Variable	Conceptual Definition	Source
Customer Satisfaction	Satisfaction is the consumer's fulfillment response. It is a judgment that a product or service feature, or the product of service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under- or over-fulfillment.	An Overview of Customer Satisfaction Models Interim Director of Research Colleges. (Date et al., 2000).

1.9 Operational Definition

To measure the variables in this research, namely Customer Relationship Management (CRM), Service Quality, and Customer Satisfaction, each variable is broken down into dimensions and indicators. These indicators are then translated into item statements.

Table 1.3 Operational Definition

Variable	Indicator	Item
Customer Relationship Management (CRM)	Customer Portfolio Analysis	a. Segmentation of customers based on fitness goals or levels.
		b. Customized services for specific target groups.
	Customer Intimacy	a. Fitness programs tailored to individual needs.
		b. Understanding of customer preferences and health conditions.
	Network Development	a. Use of digital platforms (WhatsApp, Instagram, apps) for communication.
		b. Follow-up or regular checks through online channels.
	Value Proposition Development	a. Clear communication of service benefits and features.

Variable	Indicator	Item
Service Quality	Managing the Customer Lifecycle	b. Offering service advantages over other trainers.
		a. Efforts to maintain continuous customer engagement.
	Tangibles	b. Loyalty or incentive programs for long-term customers
		a. Attractive and professional appearance of the online platform.
	Reliability	b. Quality and clarity of supporting materials such as videos or PDFs.
		a. Delivery of coaching sessions as promised.
	Responsiveness	b. Timeliness and consistency of service by coaches.
		a. Quick response to questions or complaints.
	Assurance	b. Timely handling of technical or schedule issues.
		a. Competence and knowledge of the coach in the fitness field.
Customer Satisfaction	Expectation	b. Communication that builds trust in the program.
		a. Providing personal attention and guidance.
	Perceived Performance	b. Providing advice tailored to customer needs.
		a. High expectation of service quality before joining the program.
		b. Expectation of professional service and fitness goals.
		a. Service was as promised.

Variable	Indicator	Item
		b. Satisfaction with the process and outcome of the service.
	Disconfirmation	a. Experience exceeds initial expectations.
		b. Satisfaction level is higher than expected.

1.10 Research Methods

The research method is defined as a scientific method carried out by the author to obtain data with a predetermined purpose or usefulness. With good research methods, it will make it easier for writers to understand, solve, and anticipate problems so that research can be done well.

1.10.1 Research Type

The type of research used in this study is quantitative explanatory research, which uses numerical data to measure the variables and examine the relationships between them. It typically addresses questions such as how much, how many, how often, or to what extent a phenomenon occurs. The main objective of quantitative research is to transform data into numerical values and generalize the results obtained from a sample to a broader population. This approach involves systematic processes of collecting, analyzing, and interpreting measurable data to test previously formulated hypotheses.

The main characteristics of quantitative research include the use of standardized research instruments, large sample sizes to enhance generalizability, and structured research procedures that are carefully planned before data collection

begins. In addition, the findings are typically presented in a way that emphasizes reliability, supports hypothesis testing, and directly addresses the research questions and objectives (Ghanad, 2023).

1.10.2 Population and Research Sample

1.10.2.1 Population

Population refers to the entire group of individuals or elements that are the focus of a research study. It represents all members that share certain characteristics relevant to the research objectives (Sugiyono, 2018). In this study, the population studied will be Rimbun Herbalife Nutrition Club Customer. One of Herbalife Nutrition Club in Bekasi area. Number of member in this club is 93 person.

1.10.2.2 Sample

Since the population in this study is relatively small (fewer than 100 individuals), the researcher employs a total sampling technique. Total sampling is a method in which all members of the population are included as the sample (Sugiyono, 2018). Therefore, all 93 members of Rimbun Herbalife Nutrition Club Bekasi are selected as respondents in this study.

1.10.3 Sampling Techniques

Based on the number of population in this study, The researcher employed total sampling to select the sample because the population in this study is fewer than 100. Rimbun Herbalife Nutrition Club Bekasi only have 93 members which all will be eligible to be respondent.

The fundamental objective of the research is to get data, the data collecting technique is a crucial phase in the research process. To Collect the data related to the research focus in this study, the researcher used indirect communication. While indirect communication is communication by using tools. The tool used is a closed questionnaire consisting of 26 statements. This questionnaire was used to obtain data from Rimbun Herbalife Nutrition Club Customers.

The closed questionnaire used in this research uses a Likert scale, with a scale of 5. In this study, questionnaires will be distributed to 93 members of Rimbun Herbalife Nutrition Club. Each member must answer questions based on the choices given, namely strongly disagree, disagree, moderate, agree, strongly agree. From this closed question, member can answer the question by putting a tick (✓) on their choice. The list of the questionnaire statements in this research is spoken in Bahasa Indonesia to avoid misunderstanding among students in the case of the meaning of each statement.

1.10.4 Type of Data

The type of data used in this research is quantitative data. Quantitative data is data expressed in the form of numbers or numerical values, which will be used to measure the influence between variables in the study, namely Customer Relationship Management (CRM), service quality, and customer satisfaction.

1.10.4.1 Primary Data

Primary data is a data source that directly provides information to researchers (Sugiyono, 2018). In this study, primary data will be obtained through

distributing questionnaires to customer of Rimbun Herbalife Nutrition Club Bekasi.

1.10.4.2 Secondary Data

Secondary data is a data source that does not directly provide data to researchers and is used to complement information from primary data (Sugiyono, 2018). Secondary data in this study were obtained from various references such as books, scientific articles, journals, previous research results, and information related to Herbalife Nutrition obtained from the company's official website or other trusted sources.

1.10.5 Measurement Scale

The measurement scale is needed to make it easier for researchers to determine the value of the data to be processed. The measurement will begin with a description of the Customer Relationship Management (CRM), service quality, and customer satisfaction variables, where each variable will be explained through the underlying indicators. The indicators on will be used as a reference in compiling the questionnaire questions. A Likert measurement scale will be used to make it easier for respondents to guess the answers they will write in the questionnaire. Likert scale is used to measure the attitudes, opinions, and perceptions of respondents regarding social phenomena. (Sugiyono, 2018).

In each question, respondents will choose a scale with a score range of one to five where the determination of these scores is more detailed, including:

1. Strongly Disagree

2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

1.10.6 Data Collection Technique

Data in this study were collected using a structured questionnaire distributed to respondents online. The questionnaire was designed using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The instrument was distributed to all 93 members of Rimbun Herbalife Nutrition Club Bekasi as the respondents of this research.

The questionnaire consists of four sections. Section A contains demographic information such as gender, age, domicile, highest level of education, occupation, average monthly salary, and length of membership. Section B measures Customer Relationship Management (CRM) based on the CRM Value Chain indicators proposed by (Buttle, 2008). Section C measures Service Quality using the SERVQUAL dimensions developed by (Parasuraman et al., 1985), including tangibles, reliability, responsiveness, assurance, and empathy. Section D measures Customer Satisfaction based on the Expectation–Disconfirmation Theory proposed by (Oliver, 1980) including expectation, perceived performance, and disconfirmation. The complete list of questionnaire items is provided in the appendix.

1.10.7 Data Processing Techniques

Data processing techniques will be carried out by researchers after all the data needed in the research is collected completely. The stages in this data processing process include several important steps, namely:

1. Editing

Editing is the first step taken to check and correct possible errors or discrepancies in the collected data. Researchers will review all questionnaire answers to ensure the completeness, accuracy, and consistency of the data. If writing errors or other discrepancies are found, the data will be corrected or eliminated.

2. Coding

After the editing process is complete, researchers will perform coding to facilitate the data analysis process. At this stage, each category of answers will be given a certain label or number that represents the variable under study, such as Customer Relationship Management (CRM), service quality, and customer satisfaction.

3. Scoring

Scoring is done by giving a score or weight to each respondent's response according to the Likert scale. In this study, a Likert scale was used with a range of values from 1 to 5, where this score reflects the respondent's level of agreement with the statements in the questionnaire.

4. Tabulating

The final step in data processing is tabulation, which is compiling data in tabular form to make it easier to read and analyze. This tabulation makes it easier for researchers to see data patterns, conduct hypothesis testing, and present research results systematically.

1.10.8 Analysis Techniques

The data analysis process is carried out by grouping data based on variables and types of respondents, followed by statistical calculations to answer the problem formulation and test the proposed hypotheses. In this study, data analysis is conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the assistance of SmartPLS 4.0 software.

1. Validity Test

The validity test is used to measure the extent to which the indicators accurately represent the variables being studied. In this research, validity is assessed using convergent validity based on outer loading values above 0.7 and AVE values above 0.5. Furthermore, discriminant validity is evaluated to ensure each construct is statistically distinct using the Cross Loadings matrix, Fornell Larcker Criterion, and Heterotrait Monotrait Ratio (HTMT).

2. Reliability Test

The reliability test is conducted to determine the internal consistency and stability of the indicators in measuring the research variables. In this study,

the reliability of the research instrument is strictly assessed using two metrics, which are Cronbach's Alpha and Composite Reliability. A structural construct is considered highly reliable and acceptable for further evaluation if both values are greater than 0.7.

3. Significance Test

The significance test is conducted to analyze the statistical relationship between Customer Relationship Management (CRM), service quality, and customer satisfaction. Hypothesis testing for direct effects is performed using the bootstrapping method in SmartPLS with 5,000 subsamples, where a relationship is significant if the T-statistic is greater than 1.96. Additionally, to test the simultaneous effect (H3), an F-statistic and Analysis of Variance (ANOVA) are conducted.

4. Structural Model Evaluation

The structural model is evaluated to examine the predictive capabilities of the framework and analyze the connections between the constructs. This evaluation is carried out using the R-Square (R^2) value to measure the ability of independent variables in explaining the dependent variable. Furthermore, the f-Square (f^2) effect size and path coefficients are analyzed to determine the exact strength and impact of each variable.