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The Influence of Marketing Mix Strategy and Service Quality on Customer Decisions in the Electricity Power Upgrade Program with Customer Satisfaction as an Intervening Variable at PLN UP3 Sofifi

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ABSTRACT

Objective: *This study investigates the influence of marketing mix strategy and service quality on customer decisions to participate in the electricity capacity upgrade program at PLN UP3 Sofifi, with customer satisfaction serving as a mediating variable.* ***Method:*** *A quantitative research design was employed using a survey of 100 PLN customers. Data were analyzed through Structural Equation Modeling–Partial Least Squares (SEM-PLS) to assess both direct and indirect relationships among variables.* ***Results:*** *Findings indicate that marketing mix strategy and service quality significantly and positively affect customer decisions, both directly and indirectly through customer satisfaction. Effective marketing strategies – comprising appropriate product offerings, competitive pricing, engaging promotions, and accessible service locations – enhance satisfaction and decision-making. Similarly, service quality dimensions such as reliability, responsiveness, assurance, empathy, and tangibility contribute positively to these outcomes.* ***Novelty:*** *This study provides empirical evidence on how customer satisfaction mediates the relationship between marketing strategy and service quality in the context of public utility services, offering practical insights for PLN in optimizing marketing efforts and service delivery to increase customer participation in capacity upgrade programs.*

INTRODUCTION

In today's era of digital transformation, electrical energy plays a crucial role in various aspects of modern life. It is widely used in industry, transportation, and public services. Furthermore, electrical energy supports economic growth and development throughout the world. The total demand for electrical energy continues to increase in both developed and developing countries [1]. Given the complexity of current electrical energy use, electrical energy companies must be able to build adaptability to market dynamics. According to Prahendratno [2], the variability of constantly changing conditions requires companies to develop new characteristics, business behaviors, and strategies to respond more effectively to global change. In this regard, reliance on old business models no longer guarantees sustainability, requiring companies to develop new, more flexible and innovative strategies. This is reinforced by the concept of dynamic capabilities theory, which is relevant to a company's ability to integrate, build, and reconfigure internal and external competencies to face a changing environment [3]. In practice, strengthening business models that can respond to new challenges, such as the transition to renewable energy, operational efficiency, and increased customer value, is necessary.

In the electricity industry, the use of business models is a crucial aspect that needs to be explored in the field of management science. Therefore, theoretical and empirical research related to business models in the electricity industry is increasingly important. This is because these models illustrate how companies create value, provide products or services to customers, and generate revenue to ensure the sustainability of their operations [4]. In this regard, value creation theory explains that companies need to create value through services and relationships with customers that can provide positive experiences and increase satisfaction [5]. In the context of the energy sector, business models encompass complex aspects involving the production, transmission, distribution, and sale of energy. Therefore, strategic management in energy companies requires selecting an optimal business model that utilizes resources and competitive advantages. Selecting an effective marketing strategy is necessary to link the strategy to the expected economic results [6].

As a state-owned company that manages electricity in Indonesia, PT Perusahaan Listrik Negara (PLN) has implemented marketing strategies to increase sales, despite having no direct competitors in the electricity distribution sector. One of the marketing programs introduced is the power increase promotion. This promotion provides convenience for customers who want to increase electricity capacity in their homes or businesses at a more affordable cost and with various additional benefits [7]. One of PT PLN's units, the Maluku and North Maluku Regional Main Unit (UIW MMU), consistently provides adequate electricity supply services. This is the case for customers in North Maluku, for example, through the PLN Customer Service Implementation Unit (UP3) Sofifi. In practice, PLN UP3 Sofifi conducts direct outreach to customers, collaborates with local governments, and utilizes digital media to support its marketing strategy.

Throughout 2024, PLN's power increase program offered several promotional programs, such as "Semarak Awal Tahun," " Belanja Nyaman," "Power Up Event," "Promo Ramadhan," "Energy Optimism," and others. However, despite the various promotions offered, public interest in this program remained relatively low. Several factors suspected of contributing to low customer interest include limited information received by customers, suboptimal marketing strategies, and a lack of additional incentives that could increase the program's appeal. According to Kotler and Keller [8], an effective marketing strategy should be able to convey product value clearly and attractively to consumers. Furthermore, service quality plays a crucial role in shaping customer satisfaction, which in turn can influence purchasing decisions [9].

Customer decisions regarding service use are influenced by various factors, one of which is the marketing mix strategy, which encompasses product, price, promotion, and place [10]. An effective marketing strategy can increase the appeal of a service and encourage customers to make purchasing decisions. Furthermore, in service sectors such as electricity, service quality is also a crucial factor influencing customer satisfaction and decisions [11]. Customers tend to prefer services that are not only competitively priced

but also offer a good experience, from easy access to information to responsiveness of staff in handling customer requests.

Several previous studies have highlighted the influence of the marketing mix and service quality on customer satisfaction and decisions. For example, Yusfin's [12] study found that an effective marketing mix strategy can increase customer satisfaction in the service sector. Meanwhile, Simanihuruk [13] showed that good service quality contributes significantly to customer loyalty in the electricity industry. However, these studies focused on the service sector in general and did not specifically examine PLN's power-up promotion program. Furthermore, research that positions customer satisfaction as an intervening variable in the relationship between the marketing mix and service quality on customer decisions is still limited. Most studies only examine the direct relationship between these factors, without examining whether customer satisfaction acts as a mediator that strengthens this relationship.

Based on the above background, this study will examine the extent to which marketing mix strategy and service quality influence customer decisions to participate in PLN's power-up promotion program, with customer satisfaction as an intervening variable. The results of this study are expected to provide data-based recommendations to improve the marketing effectiveness of this program in the future and contribute academically to the literature on service marketing in the electric energy industry.

Problem Formulation

1. Does marketing strategy influence customer decisions?
2. Does service quality influence customer decisions?
3. Does marketing strategy influence customer satisfaction?
4. Does service quality influence customer satisfaction?
5. Does customer satisfaction influence customer decisions?
6. Does marketing strategy influence customer decisions with customer satisfaction as an intervening variable?
7. Does service quality influence customer decisions with customer satisfaction as an intervening variable?

Research Objectives

1. To determine the influence of marketing strategies on customer decisions.
2. To determine the influence of service quality on customer decisions.
3. To determine the influence of marketing strategies on customer satisfaction.
4. To determine the influence of service quality on customer satisfaction.
5. To determine the influence of customer satisfaction on customer decisions.
6. To determine the influence of marketing strategies on customer decisions, with customer satisfaction as an intervening variable.
7. To determine the influence of service quality on customer decisions, with customer satisfaction as an intervening variable.

Research Benefits

1. Theoretical Benefits
   a. Contribute to the development of marketing theory, particularly in understanding the factors that influence customer decisions in the electricity industry.
   b. Serve as a reference for further research addressing electricity service marketing.
2. Practical Benefits
   a. Provide information on the effectiveness of marketing mix strategies and service quality in increasing customer decisions to participate in the Power-Up Promo program, thus serving as a basis for improving marketing and service strategies.
   b. Provide insight into the factors that influence customer satisfaction and decisions, so that customers can better understand the benefits of the Power-Up Promo program.
   c. To be a reference in developing more effective marketing strategies, especially in the electricity services sector.

RESEARCH METHOD

Type of Research

This research uses a quantitative approach. According to Sugiyono [14], quantitative research methods are a research approach that focuses on collecting and analyzing numerical or statistical data to test hypotheses or describe the phenomenon being studied. This research uses causal research. Causal research aims to determine the influence of independent variables on dependent variables, both directly and through intervening variables. The data analysis technique used was Structural Equation Modeling (SEM) based on Partial Least Squares (PLS) with the assistance of SmartPLS software.

Research Location and Time

This research was conducted in the PLN UP3 Sofifi work area. Data collection took place between April and May 2025.

Population and Sample

a. Population

According to Sugiyono [15], a population is the entire area of objects or subjects that possess certain qualities and characteristics relevant to the research focus. The population in this study was PLN customers who met the requirements to participate in the power increase promotion program. The criteria for customers included in the population include household customers with a certain power offered in the promotional program as well as customers who have made changes to their power within a certain promotional period.

In this study, the number of customers included in the population criteria for the promotional period studied was 600 customers (population = 600). This population includes household and small business customers in the power category targeted by the promotional program during the socialization period.

b. Sample

According to Sugiyono [14], a sample is a subset of the population and its characteristics. Based on predetermined criteria, the researcher will select anyone who meets these characteristics as a sample.

In this study, the sample was selected using a purposive sampling technique, selecting respondents based on specific criteria relevant to the research objectives. The sample selection criteria included:

1. PLN customers who have participated in the power increase promotion program.
2. PLN customers who are aware of the power increase promotion program but have not yet participated.
3. Customers in certain power categories targeted by the promotional program.

Based on the above criteria, 100 respondents were included in the sample criteria.

Data Collection Techniques

Data in this study were collected using the following methods:

a. Questionnaire

The questionnaire was distributed online and offline to PLN customers who had participated in or were considering the power increase promotion program. The questionnaire used a 5-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree). This was used to gauge customer perceptions of the promotion's effectiveness, perceived benefits, customer satisfaction, and factors influencing their decision.

The questionnaire questions were grouped into several sections, including:

1. Respondent profile (age, gender, electricity capacity before and after the program, etc.).
2. Customer awareness and understanding of the power increase promotion program.
3. Factors that motivated customers to participate or not participate in the program.
4. Level of satisfaction with the benefits experienced after participating in the program.

b. Documentation

The documentation method was used to obtain secondary data relevant to the research topic. This data complemented the primary data (questionnaire), allowing for a more comprehensive analysis. Documentation was conducted by reviewing various official documents from both internal and external sources. The documentation data sources include:

1. Internal PLN reports in the form of annual reports, performance reports from the PLN UP3 Sofifi unit, customer data, and electricity usage statistics reports. These documents provide a quantitative overview of customer conditions and the implementation of the power increase promotion program.
2. Official policies and regulations, including PLN Board of Directors Decrees, government regulations regarding electricity tariffs, and strategic policies for the power increase program. These documents are essential for understanding the legal framework and policy basis underlying the promotion program.
3. PLN publication data, including brochures, leaflets, and information published on the official PLN website and the PLN Mobile application related to program socialization. This data was used to assess the types of promotions and information received by customers.
4. Previous research in journals, theses, and scientific articles relevant to the themes of marketing strategy, service quality, satisfaction, and customer decisions regarding public services. These references are useful for strengthening the theoretical foundation and comparing empirical findings with previous studies.

Data Analysis Techniques

Data analysis in this study was conducted using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method with the assistance of SmartPLS software version 3.0. The SEM-PLS method was chosen because it has several advantages, including: its ability to test complex relationships between latent variables, its ability to be used with relatively small sample sizes (≥30), and its lack of strict normal data distribution requirements. The data analysis stages include:

a. Measurement Model Test (Outer Model)

The measurement model test was conducted to ensure the research instrument had adequate validity and reliability.

1. Convergent Validity was assessed by the loading factor value (>0.70) for each indicator against the construct, and the Average Variance Extracted (AVE) value (>0.50) to assess the proportion of indicator variance explained by the construct.
2. Discriminant Validity was tested using the Fornell-Larcker criteria and the HTMT Ratio. Discriminant validity is met if the square root of the AVE is greater than the correlation between constructs, and the HTMT value is <0.90.
3. Reliability is measured using Cronbach's Alpha and Composite Reliability (CR). The instrument is considered reliable if both are >0.70.

b. Structural Model Testing (Inner Model)

After the instrument is declared valid and reliable, a structural model test is conducted to assess the strength of the relationship between the latent variables.

1. R-Square (R^2) is used to assess how much the independent variables explain the dependent variable. A higher R^2 value indicates better predictive power.
2. The Q-Square (Q^2) or Stone-Geisser test is used to test the predictive relevance of the model. The model is considered good if the Q^2 value is >0.

3. Bootstrapping is performed to test the significance of the path coefficient. Significance is determined based on the t-statistic (>1.96 for α=0.05) and p-value (<0.05).

c. Mediation Test

This test is conducted to determine whether customer satisfaction mediates the relationship between:

1. Marketing strategy → Customer decisions
2. Service quality → Customer decisions

RESULTS AND DISCUSSION

Results

a. Respondent Description

The population of this study was all 600 PLN UP3 Sofifi customers targeted by the power increase promotion program. From this population, a sample of 100 respondents who met the research criteria was selected using a purposive sampling method. Therefore, the data analyzed represented approximately 16.7% of the total population, thus describing the characteristics of the program's target customers.

1. The characteristics of the participating respondents are as follows:
   The majority of respondents were aged 30–45 years (54%), followed by those aged 20–29 years (28%), and those aged 45 years and older (18%).
2. Respondents were 52% male and 48% female.
3. 60% of respondents previously used 900 VA, and the remainder used 1300 VA.
4. After the power increase, the majority of customers upgraded to 1300 VA and 2200 VA.
5. Participation status: 68% have participated in the power-up program, while 32% have not but are aware of the program.

b. Description of Research Variables

The main variables studied were marketing mix strategy, service quality, customer satisfaction, and customer decisions, with the following indicators and survey results:

1. Marketing Mix Strategy (X1)

Table 1. Questionnaire Results: Marketing Mix Strategy Indicators

No	Indicator	SS (5)	S (4)	KS (3)	TS (2)	STS (1)	Total Score	Indeks (%)
1	Products tailored to your needs	28	36	25	9	2	379	75.8
2	Affordable prices	25	34	26	12	3	368	73.6
3	Attractive promotions	22	38	27	10	3	366	73.2
4	Easily accessible service locations	27	35	24	11	3	372	74.4

For the marketing mix strategy variable, the average index obtained was 74.25%. The indicator with the highest score was "products tailored to needs," with a score of 75.8%. This indicates that the majority of respondents considered the power-up program to be appropriate for their needs. The indicator of accessible service locations also scored quite high at 74.4%, indicating that service access through PLN offices and digital channels was deemed adequate. Meanwhile, the indicator of affordable prices scored 73.6%, indicating that the power-up promotion was considered more affordable than the normal rate. The indicator with the lowest score was "attractive promotions" (73.2%). Although still in the "good" category, this indicates that PLN's promotional efforts need to be expanded to provide customers with more comprehensive information. Overall, customers assessed PLN's marketing strategy as good, particularly in terms of product and location, while promotions still require strengthening.

2. Service Quality (X2)

Table 2. Results of the Service Quality Indicator Questionnaire

No	Indicator	SS (5)	S (4)	KS (3)	TS (2)	STS (1)	Total Score	Indeks (%)
1	Reliability	30	33	23	10	4	375	75.0
2	Responsiveness	26	34	25	11	4	367	73.4
3	Assurance	24	32	27	13	4	359	71.8
4	Empathy	23	31	28	13	5	353	70.6
5	Physical Evidence	22	33	29	11	5	356	71.2

The service quality variable scored an average of 72.4%. The reliability indicator scored the highest (75.0%), indicating that PLN's service was consistent and delivered on promises. The responsiveness indicator scored 73.4%, indicating that customers felt staff responded quickly enough to their needs. Meanwhile, the assurance (71.8%), empathy (70.6%), and tangibles (71.2%) indicators scored relatively lower. These findings indicate that while PLN's service is generally good, there are still areas for improvement, particularly in providing personal attention (empathy), ensuring customer safety, and strengthening physical service facilities.

3. Customer Satisfaction (Z)

Table 3. Customer Satisfaction Indicator Questionnaire Results

No	Indicator	SS (5)	S (4)	KS (3)	TS (2)	STS (1)	Total Score	Indeks (%)
1	Satisfaction with public services	27	34	25	10	4	370	74.0
2	Promotional benefits meet expectations	26	32	28	10	4	364	72.8

For the customer satisfaction variable, the average index was 73.4%. The general service satisfaction indicator reached 74.0%, indicating that customers were generally satisfied with PLN's services under the power increase program. Another indicator, namely, whether the promotional benefits met expectations, scored 72.8%. This indicates that although most customers were satisfied, they still hoped for greater promotional benefits and a better alignment with their expectations.

4. Customer Decision (Y)

Table 4. Customer Decision Indicator Questionnaire Results

No	Indikator	SS (5)	S (4)	KS (3)	TS (2)	STS (1)	Total Score	Indeks (%)
1	Intention to participate in the program	29	30	26	11	4	371	74.2
2	Realization of participating in the program	25	34	25	12	4	366	73.2
3	Confidence in the decision	26	33	26	11	4	368	73.6

The customer decision variable had an average index of 73.7%, which is considered good. The program intention indicator scored the highest at 74.2%, indicating that customers have a strong desire to take advantage of the power-up promotion. The decision confidence indicator scored 73.6%, indicating that customers are quite confident in their decision. The program realization indicator scored 73.2%, indicating that most customers have realized their intention to participate in the program.

c. Data Quality Testing

To ensure the quality of the instrument's measurements, three testing stages were conducted:

1. Convergent Validity Test

Convergent validity testing is performed based on the outer loading and AVE (Average Variance Extracted) values. An indicator is considered valid if the outer loading is >0.70 and the AVE is >0.50 [15].

Table 5. Convergent Validity Test Results

Variable	Number of Indicators	Loading Range	AVE	Information
Marketing Strategy (X1)	4	0,712–0,789	0,566	Valid
Service Quality (X2)	5	0,705–0,773	0,548	Valid
Customer Satisfaction (Z)	2	0,765–0,784	0,600	Valid
Customer Decision (Y)	3	0,721–0,791	0,572	Valid

Based on the analysis, the marketing strategy variable has an outer loading value ranging from 0.712–0.789 with an AVE of 0.566. The service quality variable has a loading range of 0.705–0.773 and an AVE of 0.548. The customer satisfaction variable shows a loading between 0.765–0.784 with an AVE of 0.600, while the customer decision variable has a loading of 0.721–0.791 with an AVE of 0.572. All loading and AVE values meet the minimum requirements.

This means that each indicator can be considered representative of its construct. For example, the affordable price indicator in the marketing strategy variable effectively reflects perceptions of PLN's marketing strategy, as do the responsiveness and reliability indicators, which can explain service quality.

2. Reliability Test

The reliability of the instrument was tested by examining Cronbach's Alpha (CA) and Composite Reliability (CR) values. According to the criteria, CA and CR values must be above 0.70 for an instrument to be considered reliable.

Table 6. Reliability Test Results

Variabel	Cronbach's Alpha	Composite Reliability	Information
Marketing Strategy (X1)	0,781	0,854	Reliabel
Service Quality (X2)	0,799	0,862	Reliabel
Customer Satisfaction (Z)	0,723	0,825	Reliabel
Customer Decision (Y)	0,738	0,832	Reliabel

The test results showed that the marketing strategy variable had a Cronbach's Alpha of 0.781 and a Composite Reliability of 0.854. The service quality variable obtained a CA of 0.799 and a CR of 0.862. Meanwhile, customer satisfaction had a CA of 0.723 and a CR of 0.825, and customer decision-making had a CA of 0.738 and a CR of 0.832. All values were above 0.70, thus concluding that all research constructs were internally consistent and reliable. This means that each question in the questionnaire consistently measured the same thing.

3. Discriminant Validity Test

Discriminant validity aims to test the extent to which a construct is truly distinct from other constructs. Two methods used were the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) Ratio.

Table 7. Discriminant Validity Test

Construct (Example)	Marketing Strategy	Quality of Service	Customer satisfaction	Customer Decision
Marketing Strategy	0.752	0.644	0.619	0.601
Service Quality	0.644	0.740	0.635	0.612

The Fornell-Larcker test results show that the square root mean squared average (AVE) value for each construct is higher than its correlation with other constructs. For example, the square root mean squared average (AVE) value for marketing strategy is 0.752, higher than its correlation with service quality (0.644), customer satisfaction (0.619), or customer decision (0.601). A similar pattern also occurs for other variables, indicating that each construct has good discrimination.

d. Model Testing

1. Structural Equation Analysis

According to Ghozali [16], "Structural equation analysis is the value of the regression coefficient with the aim of testing the correlation between the dependent variable and the collected variable data." The inner model was analyzed using the bootstrapping technique in SmartPLS 3.0, resulting in path coefficients (direct effects) and specific indirect effects (indirect/mediation effects). Based on the analysis results, the following structural equation was obtained:

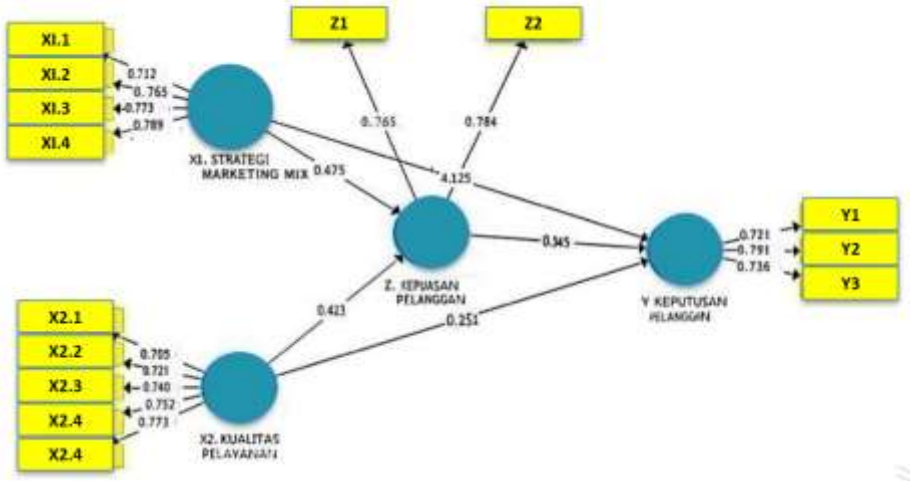

Figure 1. Structural Model Analysis

2. Inner Model Evaluation

a. R-Square (R^2)

Measuring the extent to which the independent variables explain the variation in the dependent variable.

Table 8. R-Square (R^2) Test Results

Variabel Endogen	R^2	Information
Customer Satisfaction (Z)	0.553	Medium-strong category
Customer Decision (Y)	0.611	Strong category

The analysis results show that the R^2 value for the customer satisfaction variable is 0.553, which falls into the moderate-strong category. This means that marketing strategy and service quality can explain approximately 55.3 percent of the variation in customer satisfaction, while the remaining 44.7 percent is influenced by factors outside

the research model, such as customer personal factors, previous experience, or company image.

For the customer decision variable, the R^2 value is 0.611, which falls into the strong category. This means that marketing strategy, service quality, and customer satisfaction together can explain 61.1 percent of the variation in customers' decisions to participate in the power-up program.

b. Q-Square (Q^2)

In addition to the R^2, the model evaluation also includes a Q-Square test obtained through a blindfolding technique. The Q-Square is used to assess the model's predictive relevance to endogenous variables.

Table 9. Q-Square (Q^2) Test Results

Variable	Interpretation
Z	Medium-high prediction
Y	High prediction

The Q^2 results indicate that the customer satisfaction variable has a medium-high predictive interpretation, while the customer decision variable falls into the high predictive category. This interpretation indicates that the research model not only has the ability to explain the relationship between variables (goodness of fit) but is also relevant for predicting the phenomenon under study.

3. Hypothesis Testing and Mediation (Bootstrapping)

The test was conducted using 5,000 resamplings to test the significance of direct and indirect effects.

Table 10. Hypothesis Testing and Mediation Results

Relationship Path	Koef.	t-Stat	p-Value	Results
X1 → Y (direct)	0.265	3.212	0.001	Significant
X2 → Y (direct)	0.251	2.984	0.003	Significant
X1 → Z	0.475	6.114	0.000	Significant
X2 → Z	0.423	5.712	0.000	Significant
Z → Y	0.354	4.543	0.000	Significant
X1 → Z → Y (Satisfaction Mediation)	0.168	3.105	0.002	Significant Mediation
X2 → Z → Y (Satisfaction Mediation)	0.150	2.821	0.005	Significant Mediation

The results of the bootstrapping test with 5,000 resamplings showed that all relationship paths were significant with $p < 0.05$. In detail:

a. Marketing Strategy (X1) and Service Quality (X2) have a significant direct effect on Customer Decisions (Y).

b. Marketing Strategy (X1) and Service Quality (X2) also have a significant effect on Customer Satisfaction (Z).
c. Customer Satisfaction (Z) has a significant effect on Customer Decisions (Y).
d. Mediation was proven significant, where Customer Satisfaction mediated the influence of Marketing Strategy and Service Quality on Customer Decisions.

Discussion

Marketing Strategy Influences Customer Decisions

The results of the study indicate that the marketing mix strategy has a significant positive effect on customer decisions ($\beta = 0.265$; $p = 0.001$). This demonstrates that the better the implementation of the marketing mix, encompassing product, price, promotion, and location, the higher the customer's decision to participate in PLN's power-up program.

Empirically, the affordable price indicator achieved an index of 73.6%, indicating that the perception of promotional prices is the primary driver driving customer decisions. Customers perceive promotional costs as lower than normal rates, thus reducing financial barriers. In addition to price, promotions (70.8%) and tangible service evidence (71.4%) also contribute to strengthening customer confidence.

This finding aligns with Kotler & Armstrong [10], who emphasize that the marketing mix is a crucial element in influencing consumer behavior, as consumers assess a service comprehensively based on price, promotion, and availability. Yusfin [12] also found that effective marketing strategies can increase customer participation in PLN's service programs. Thus, marketing strategies not only have a direct impact but also strengthen customer confidence in making participatory decisions.

Service Quality Influences Customer Decisions

Test results show that service quality has a significant positive influence on customer decisions ($\beta = 0.251$; $p = 0.003$). This means that the better the service aspects (reliability, responsiveness, assurance, empathy, and tangibles), the greater the likelihood of customers deciding to participate in the power-up program.

Customers who feel served quickly, clearly, and friendly are more confident in making decisions. This aligns with the SERVQUAL model [17], which states that good service quality includes the reliability and responsiveness of staff. Simanjuntak [9] emphasized that fast and responsive service, including in the PLN Mobile application, encourages consumers to trust more and ultimately make decisions.

These findings demonstrate that price-based marketing strategies need to be supported by consistent service quality. Without adequate service, affordable prices alone are not necessarily enough to convince customers.

Marketing Strategy Influences Customer Satisfaction

The analysis shows that marketing strategy has a significant influence on customer satisfaction ($\beta = 0.475$; $p = 0.000$). This means that the more effective PLN's marketing strategies, whether through relevant promotions, affordable prices, or tailored products, the higher the level of customer satisfaction.

Price again dominates, followed by promotions. When customers perceive discounts and clear information, their perceived value increases, leading to satisfaction. This is consistent with Ramadhan [7], who found that prepaid electricity product marketing strategies significantly contribute to user satisfaction. Thus, PLN's UP3 Sofifi promotional program has proven effective in creating positive experiences, although it still needs strengthening in digital promotions and physical evidence of service.

Service Quality Influences Customer Satisfaction

The research results show that service quality has a significant positive effect on customer satisfaction ($\beta = 0.423$; $p = 0.000$). This means that fast, responsive, and communicative service significantly increases customer satisfaction with the power-up program.

Customer satisfaction is not only determined by the promotional price, but also by their experience interacting with staff. Customers who feel attentively served are more likely to evaluate PLN's services positively. This aligns with Putra [18], who emphasized that good service quality can increase customer satisfaction and loyalty. Simanihuruk & Tarigan [9] also stated that satisfaction is a direct consequence of consistent and responsive service.

Customer Satisfaction Influences Customer Decisions

The analysis results show that customer satisfaction has a significant positive effect on customer decisions ($\beta = 0.354$; $p = 0.000$). Satisfied customers are more confident and more likely to participate in the power-up program.

In consumer behavior theory [10], satisfaction is a primary factor determining purchasing decisions. Satisfied customers tend to feel their needs are met, making them more confident in making decisions. Research by Simanihuruk & Tarigan [9] also shows that customer satisfaction contributes significantly to loyalty, which in this context manifests in the decision to increase power.

Marketing Strategy Influences Customer Decisions through Customer Satisfaction

The results of the mediation test demonstrated that customer satisfaction mediated the influence of marketing strategy on customer decisions ($\beta = 0.168$; $p = 0.002$). This means that the effectiveness of a marketing strategy will be stronger if customers are initially satisfied.

For example, customers who perceive promotional prices as affordable while simultaneously experiencing clear service and transparent promotions will be more confident in making decisions. Without satisfaction, marketing strategies will not have their maximum effect. This aligns with research by Manihuruk [19], which confirms that satisfaction acts as a bridge between marketing strategy and customer loyalty.

Therefore, PLN must not only conduct price promotions; it must also ensure that the services provided are truly satisfactory, so that the marketing strategy implemented results in the desired decision.

Service Quality Influences Customer Decisions through Customer Satisfaction

The research also demonstrated that customer satisfaction mediated the effect of service quality on customer decisions ($\beta = 0.150$; $p = 0.005$). This means that good service quality not only directly impacts customer decisions but also creates satisfaction, which then strengthens their decisions.

Customers who feel well served are more satisfied, and this satisfaction drives their decision-making. Putra [18] stated that satisfaction is an important mediating variable in the relationship between service quality and customer loyalty. Therefore, PLN UP3 Sofifi must ensure high service standards to foster customer satisfaction and ultimately increase their decision to use the power-up program.

CONCLUSION

Fundamental Finding : The study concludes that both marketing mix strategy and service quality significantly and positively influence customer decisions to participate in the PLN UP3 Sofifi electricity capacity upgrade program, either directly or indirectly through customer satisfaction. Marketing strategies involving product, price, promotion, and place—as well as service quality dimensions such as reliability, responsiveness, assurance, empathy, and tangibles—play a crucial role in enhancing satisfaction and decision-making. **Implication :** These findings highlight the importance of implementing integrated marketing and service quality improvements to strengthen customer engagement and satisfaction, thereby driving participation in service programs. **Limitation :** This research was limited to a single regional unit (PLN UP3 Sofifi) and a relatively small sample size, which may restrict the generalizability of the results to other contexts or industries. **Future Research :** Further studies could expand the sample scope across multiple regions, incorporate qualitative approaches to explore customer perceptions more deeply, and examine additional mediating or moderating variables that influence customer decision-making behavior.

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