

V. CONCLUSIONS AND IMPLICATION

A. Conclusion

In conclusion, the hypotheses tested in the study on the impact of Service Innovation (SI) and Customer Values (CV) on Customer Satisfaction (CS) in the context of the IELTS test operation in Indonesia had been accepted. The findings indicate that SI has a positive and significant effect on CS, as well as on CV. Additionally, CV has a positive and significant effect on CS. Moreover, the study supports the hypothesis that SI influences CS through its mediating effect by CV. These results emphasize the importance of both service innovation and customer value in shaping customer satisfaction within the IELTS test operation in Indonesia.

B. Implication

1. Theoretical Implication

Considering the scarce empirical studies regarding these constructs, particularly in developing the higher educational sector context, this study enriches the dynamic capability and innovation literature. This study shows that Service innovation and Customer value contribute to customer satisfaction. Therefore, Service innovation and Customer Value are dynamic capabilities that organizations must leverage to achieve better customer experience. Though signaling theory has been used more frequently recently when applied to organizational issues, its fundamental principles have become blurred, and this study is an attempt to enrich the

theoretical implications and practice in management literature. In affirming the role of Customer Value as a mediator, the study result aligns with the Expectation Disconfirmation theory, which suggests that customer satisfaction develops when experience is better than expectation and perception towards service. By integrating dynamic technological changes in Higher Education, especially the English Language Proficiency test, the study claims the benefits of service innovation in a competitive environment. This study is among the few studies concerning global English proficiency test advancement and IELTS operation innovation. The study is well executed on the operational aspects of the English Language Proficiency testing sector by interacting mechanisms between service innovation, customer value, and customer satisfaction

2. Practical Implication

Policymakers should develop comprehensive policies and direct the management of the English Language Proficiency Testing strategy to build customer-oriented programs to improve the level of customer satisfaction in the International English Language Testing System. Also, management should continue adopting new ways of improving customer orientation to attain higher customer satisfaction. For instance, more accessible platforms, technological flexibility, easy usability, communication with future candidates regarding new practices and benefits, and trial processes could be provided to customers to help them adapt to modernization, system guidance, and alignment with global rules, which should in turn,

increase more customer participation, satisfaction, engagement, and responsiveness. Management should also provide customer-designed service innovation that directly meets customers' satisfaction and needs.

In practice, it is critical to comprehend customer satisfaction and strategies for achieving it. Managers must focus more on strategic operations by outlining the elements contributing to customer satisfaction and detailing how satisfaction affects behavioral intention. Besides, identifying creative mechanism hints can inspire the creation of strategies to improve consumers' perceptions and intentions to stay loyal. Businesses need to offer cutting-edge services that are more effective and efficient than competitors to draw in and retain clients (Feldman & Pentland, 2003). In this situation, IELTS Exam Organizers can become more competitive and efficient via service and marketing innovation. Consequently, to improve customer satisfaction, the organizations, overseeing the IELTS exams need to implement innovative service practices.

C. Limitation

1. The current study focused on the English Proficiency Test system and service innovation as a precursor to customer value and contentment in the education industry. As a result, the study's findings have limited generalizability to a more significant sector and population. Future researchers should replicate this study with ordinary and business consumers to improve the accuracy of customer behavior predictions. The sort of service a consumer uses might affect their satisfaction and value.

Future research could also compare customer satisfaction, service innovation strategy, and value to other exam approaches, such as the paper-based IELTS exam, the GMAT, the GRE, the TOEFL, and Duolingo.

2. The other limitation of the study was the sample size of 150 participants from Indonesia being the only participating country. Future research should enrich the data gathering by adding more countries' IELTS exam-conducting institutions and increasing the number of students as respondents.
3. The current study used self-reported questionnaires to collect data, which may introduce a standard procedure bias problem. Future researchers could consider using mixed-method or qualitative techniques to assist them in evaluating from various angles. Nevertheless, since the research study was conducted in Indonesia, the findings are anticipated to advance customer satisfaction in the higher education sector in other developing nations.

D. Recommendation

1. The study recommends implementing service-oriented policies, practices, and packages to meet the education sector's perceived customer value. In terms of practice, for instance, institutions involved in the IELTS Exam management and coordination should engage customers in knowledge, information, and other resource sharing. Management of service industries should also establish clear contact with customers through proper

communication channels and introduce service advancements, new offerings, and advantages to build long-lasting relationships, feelings of fulfillment, and higher customer satisfaction.

2. The research suggests that the English Proficiency Curriculum's administration should keep finding initiatives that raise the caliber of the services they provide now. More specifically, spending money on cutting-edge technology would raise the general caliber of services (tangibility, responsiveness, and dependability) these organizations provide, ensuring client pleasure. Management should also keep considering that the services offered to IELTS exam applicants and test takers are seen as excellent and user-friendly, as this will satisfy consumers' expectations and, inevitably, raise their satisfaction levels.
3. The research indicates that IELTS management in Indonesia may raise customer satisfaction levels by strongly emphasizing customer orientation and high-quality service. This may be accomplished by ensuring the institution's offerings that are optimized to satisfy client demands and foster a favorable impression. If this were done, customers would inevitably show good attitudes like dedication, contentment, and loyalty. More realistically, to increase customer satisfaction, IELTS exam organizers should ensure their services are client-oriented or targeted explicitly at fulfilling consumers' expectations. For example, offering excellent customer complaint handling, determining customer wants, training employees, investing in technology, and guaranteeing ongoing service improvement

may all increase the success of service innovation. The study, therefore, concludes that customer satisfaction in the Education sector of developing economies like Indonesia can be improved if stakeholders from the Language proficiency assessment emphasize customer orientation through service quality and innovation.

4. A significant amount of time, financial stability, infrastructure, digitalization, and qualified human resources are needed to define a clear roadmap for service innovation and to put it into practice. The study may help guide the IELTS exam process, innovation plans, and R&D expenditures, which should be managed by expert personnel. The problem of service innovation is complex, and this study, by considering the CBT exam process, makes a significant contribution. A completely new set of practices that contribute to the field of service innovation must emerge for firms to be successful in this regard.

