

Analyzing the Effect of Digital Transformation on Customer Satisfaction in the Multiservice Sector

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Abstract: The current paper is intended to examine the relationship between the digital transformation and customer's satisfaction within the multiservice companies' framework. With the changing expectations of consumers, with the services industries being under increasing pressure to provide more personalized, efficient and technology-driven experiences, the digital transformation rises as a strategic enabler. Based on the review of recent literature, the current study explores how different elements of the digital transformation (ranging from automation, artificial intelligence, digital customer interfaces, and data-driven decision-making) influence the customer journey and satisfaction results. Analysis also points the difficulties for companies to be customer-centric while aligning with the digital initiative in highly competitive and dynamic service setting. Further, this paper highlights the significance of readiness of an organization, and digital capability as vital success factors to achieve realizations of customer satisfaction improvements. By building upon the existing findings, the present study enhances the knowledge of digital strategy in the context of service sectors and adds managerial insights while providing scope for more research on addressing the service quality and customer loyalty through digital innovation.

Key words: Digital Transformation, Customer Satisfaction, Multiservice, Digital Strategy.



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1. INTRODUCTION

Digital transformation has become an important strategy for businesses that want to be competitive in an ever-dynamic environment. In the multiservice sector, the digital integration has redrawn the ways in which the firms deliver value, operate, and relate with customers. Application of digital tools and systems like Artificial Intelligence, big data analytics, and cloud computing in service processes has not only improved operational efficiency but it has also transformed the whole experience of the customers by making services more responsive, personalized, and

seamless (Ismail et al., 2024). Multiservice firms are especially representative of this paradigm shift towards digitalization, as these businesses class platforms to combine various service offerings into a single, jointly formed digitalized concept. With the constant changes in customers' expectations, organizations must ensure that digital transformation initiatives are consistent with satisfaction outcomes.

Further, service innovation plays a central role in identifying the success of any digital strategies especially in its manifestations in terms of perceived customer value. Mahmoud et al. (2018) stressed that customer satisfaction is directly affected by the ability by service providers to be innovative in creating customer value creation. The synergy between service innovation and digital technologies does not only enable organizations to optimize operations but also to understand the needs of customers, personalize offerings and develop their relationships with customers. In multiservice environments in which there is greater assortment and complicity of offer, digital tools innovation can provide a strategic supporting mechanism for varied and acceptable service provision.

Digitalization in the healthcare industry can serve as a real example of how a digital transformation increases customer satisfaction. Cobelli and Chiarini (2020) investigated the use of mobile health (mHealth) platforms by Italian pharmacists to increase patient activation and retention. Their results reveal that digital tools enhance access, responsiveness and communication all of which have positive impact on levels of satisfaction. These observations can be applied to multiservice industries as a way of improving customer satisfaction with better digital engagements, less service friction, and customized service points of contact with customers.

In addition, efficient to-customer delivery is still a key determinant of customer satisfaction in the digital era. As was illustrated by YuSheng and Ibrahim (2019), in the banking industry of Ghana, digital transformation initiatives that also target service and delivery are beneficial in the areas of customer satisfaction and loyalty. For multiservice providers, making sure that the digital systems do not simply substitute the manual procedures but ensure that the quality of reliability and convenience of services are improved is critical to the utmost in customer outcomes. The management of digital initiatives across several service channels may be beneficial in regards to developing consistent and meaningful experiences that lead to satisfaction.

This research attempts to examine the ramifications of digital transformation on the customer satisfaction in the multiservice sector through synthesis of various service contexts. Digital transformation is however perceived to be a technical shift but this paper argues that it should be treated as a strategic way of enhancing service delivery and the long-term customer satisfaction. By reviewing literature relevant to the matter and listing critical success factors, this paper tends to give a broad idea of how digital change promotes satisfaction in various service settings.

1.1 Literature Review

1.1.1 Digital Transformation

Digital transformation is loosely described as the overlap of digital technologies in all business operations so as to change the way organizations operate and deliver value to customers. In the case of the service sectors, digital transformation, according to Ismail et al. (2024), entails more than technological advancements, but also strategic restructuring of service delivery models to deliver seamless and efficient experience to customers. Such transformations normally entail adoption of artificial intelligence, digital interfaces, mobile applications, and automation systems to cater for ever-growing customer expectations and competitive forces. In multiservice scenarios when the array of services must be delivered at the same time, digital transformation supports the appropriate data infrastructure for handling service complexity, and consistency, and speed.

Cobelli and Chiarini (2020) note that the digitalization of services in such a sphere as healthcare creates a more customer-oriented approach. Their research by the Swedish researchers on Italian pharmacists' use of mobile health applications indicate that digital tools increase accessibility of services, increase communication, and increase the patient's overall satisfaction. Using this in the multiservice setup firms gain from embracing digital mechanisms that facilitate faster transactions, real time update and enhanced customer touch points thus improving satisfaction and loyalty outcomes.

This idea is strengthened by YuSheng and Ibrahim (2019), who highlight that service innovation – as part of the digital transformation process – is highly essential for realizing the customer satisfaction and loyalty levels in the banking industry. They contend that when digitalization needs to be in line with the expectations of customers and when it improves the delivery, it leads towards better assessments of service quality. Such findings show that digital transformation is a strategic enabler of perceived value of services, particularly where there are several customer-facing avenues.

1.1.2 Customer Satisfaction

Customer satisfaction in service industries means that what a customer gets lines up with what they hope to receive from the service. According to Mahmoud et al. (2018), providing innovative services is important for meeting customer satisfaction. Research from these authors indicated that offering new solutions for customers helps companies provide better experiences. With so many services involved, digital helpers smooth the way for customers, support individualization and raise their satisfaction. According to Ismail et al. (2024), the digital transformation brings about more satisfaction for customers by introducing improved comfort, a quicker experience and greater interaction. Offering customize options, offering real-time assistance and having amazing digital platforms all add to better experiences for the customer. The importance of such benefits is increased in multiservice procedures since customers assess the whole interaction process at different touchpoints. Cobelli and Chiarini (2020) concluded that features such as simplicity for users, quick responses and clear communication greatly contribute to customer satisfaction. From their research, it looks like digitalizing services should put greater emphasis on customer needs rather than just streamlining operations. For digital transformation to succeed in improving customer satisfaction, businesses should concentrate on the way customers use their platforms, how well they respond and the ease with which customers can reach them.

1.2 Problem Statement

Organizations in the multiservice sector are now facing big changes as they use technology to make things easier for employees and delight clients. Because customers are becoming experts in technology, they now anticipate a smooth, fast and personalized service experience. By adding mobile apps, automated services, AI help and personalization based on data to service processes, digital transformation is expected to meet these new expectations. Despite adding more technology to their services, a lot of providers fail to make their customers happier.

It is challenging when companies do not use the digital transformation strategy equally across their different service channels. It is not uncommon for teams to deploy technology solutions without being sure what their customers truly require or how well the tools can work together. It results in many isolated services which might leave customers annoyed instead of pleased. On the other hand, while digitization makes services easier to access, it can cause some disadvantaged customers to face obstacles which may result in unequal service.

Furthermore, there is not enough information on how service, design and quality in the digital era shape a customer's satisfaction when various services are used together. Service innovation has been shown to help improve customer opinions and value creation is useful as well, but we know

little about how exactly digital transformation impacts satisfaction when services are delivered together.

In other words, the research aims to improve our knowledge of the link between digital transformation and customer satisfaction in the multiservice sector. To do this, the study examines the effects of digital transformation strategies on customer experiences and what factors allow service organizations to successfully bring new technologies and customer wishes together to meet expectations and result in better satisfaction.

2. RESEARCH METHODOLOGY

This work carries out a literature review to understand how digital transformation affects customer satisfaction in the multiservice sector. The review looks at peer-reviewed journals, reports and research published in 2018 and afterward, highlighting those talking about how digital tools, service innovation and customer-focused technologies are used. The study focuses on automation, mobile services, digital platforms and how they play a part in boosting service efficiency and making customers happier. By analyzing the results of several sources, this study hopes to find patterns and ideas showing how digital transformation efforts help improve service experiences. The outcome should establish concepts that direct future empirical studies and help multiservice organizations plan their digital strategy.

3. FINDINGS AND DISCUSSION

FINDINGS

Study of literature on digital transformation and its effects on customer satisfaction in the multiservice sector led to a number of key points being uncovered. To begin with, improving service efficiency and making it easier for people to find help were found to be the positive results of using digital transformation tools such as mobile services and automated channels (Cobelli & Chiarini, 2020). MHealth applications in the pharmacy sector resulted in faster replies and higher satisfaction for consumers. In addition, service innovation was highlighted as a main contributor to creating customer value. The authors of this study, Mahmoud et al. (2018), describe that services innovation that provides value matched with customers' expectations helps companies achieve greater customer satisfaction. This matches the results found by YuSheng and Ibrahim (2019) that innovative service approaches increased loyalty and satisfaction among customers in the banking sector. Consequently, digital transformation can help businesses give customers better, faster and more personalized experiences. It promotes transparency, lowers hold times for customers and lets companies manage their customer relationships more effectively in sectors where multiple services are offered.

DISCUSSION

These results suggest that digital transformation plays a major role in making customers happy in multiservice industries. Customers can now manage most things by themselves with the help of digital tools, get better and prompt service and enjoy more responsive support. Because more is now available digitally, customers want companies to respond quickly and provide better service. According to Cobelli and Chiarini (2020), digital tools in the pharmacy industry can raise customer loyalty and engagement, when they are simple and available to users. Similarly, according to Mahmoud et al. (2018), businesses should clearly explain the value of their innovative digital services to customers so their satisfaction is maintained. The literature shows that to be successful, digital transformation must address technology and also help employees, manage data security and stay in touch with customers during the entire digital transformation.

PRACTICAL IMPLICATIONS

The insights provide practical steps that multiservice providers can use to make digital transformation benefit their customers. To begin, businesses ought to make sure user-centered digital services are the main priority, so platforms are simple and reliable. Investments in both customer service training and change management are necessary for making sure digital transitions happen smoothly. Keeping track of what customers say will help adjust digital services as market trends and preferences change. According to YuSheng and Ibrahim (2019), businesses must keep innovating in service delivery to hold their customers' trust and satisfaction in the long run. For multiservice companies to survive in a dominantly digital economy, their strategies must keep up with advances in technology and people-oriented approaches to service.

4. CONCLUSION

The research discovers that using new technologies greatly helps in making customers happy in the multiservice sector. Using mobile apps, online platforms and automated systems, companies can better serve their customers, lower wait times and make the service experience better. A key part of success is matching new technology with caring for the customer. Furthermore, using digital tools in service improvement helps increase customer value and makes them more loyal if these services meet their needs. Still, organizations should take care to consider how employees will handle digital changes and encourage them to keep communicating with customers regularly.

Future Research

Future studies should focus on how digital transformation affects customer satisfaction after a longer period in multiple service sectors. Also, looking into how customers accept or reject new digital systems could give helpful information. By comparing different nations or groups, businesses can learn about differences in digital preferences and what customers expect which can support their transformation plans. Seeing how service organizations use technology as well as human employees can guide the design of the best customer experience.

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