

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price



Yohanes Ferry Cahaya<sup>1</sup>, Indra Siswanti<sup>2</sup>, Yananto Mihadi Putra<sup>3</sup>, Ariella Chavva Pattiwael<sup>4</sup>

<sup>1,4</sup> Faculty of Economics and Business, Perbanas Institute, Jakarta-Indonesia

<sup>2,3</sup> Faculty of Economics and Business, Universitas Mercu Buana, Jakarta- Indonesia

**ABSTRACT:** This study tries to examine how product attributes like quality, advertising, and price affect consumer pleasure. People who live in Central Jakarta and use the Shopee app to make purchases make up the study's demographic. For the 100-sample sample employed in this review, non-probability sampling with a purposive examining technique will be used. Utilizing Google forms to disseminate questionnaires, the primary data was collected. The Multiple Linear Regression Test method, the Classical Assumptions Analysis approach, the Pearson Product Moment test, and Cronbach Alpha statistics were used in this study to examine the validity and reliability. to evaluate the theory utilizing IBM SPSS version 26. The findings indicated that Customer Satisfaction is influenced by the variable Product Quality.

**KEYWORDS:** Product Quality, Promotion, Price, Customer Satisfaction

### INTRODUCTION

Every human being has unique needs, beginning with clothing (clothing), nourishment (food), and housing (housing). These three factors can be used to generate business possibilities. Clothing is one of them, and the fashion industry is expanding at the moment. Dress trends in Indonesia are in the limelight of every circle; moreover, not only in Indonesia, but also in other nations, they continue to compete to become trendsetters in the world of fashion..

A product is created by the apparel industry. Beginning with small enterprises with straightforward distribution lines between manufacturers and customers. Concerning those involving many parties. Distribution channels, according to (Sunyoto 2015), may be defined as a collection of merchants and firm agents that combine physical transfer and the product's name to develop uses for certain markets. Shopee is one of Indonesia's largest stores. Shopee is still able to retain consumers and compete with the e-commerce that is now trending in this technological era. This is why you should look into Shopee..

The SEA Group, formerly known as Garena, has a subsidiary called PT Shopee International Indonesia (Shopee). The Singapore headquarters of SEA Group were established in 2015. Shopee launched simultaneously in Singapore, Malaysia, Thailand, Taiwan, Indonesia, Vietnam, and the Philippines in 2015 for the first time.

Shopee is an e-commerce company that is able to compete today and ranks second according to the top brand index, this can be seen based on the top brand results as follows:

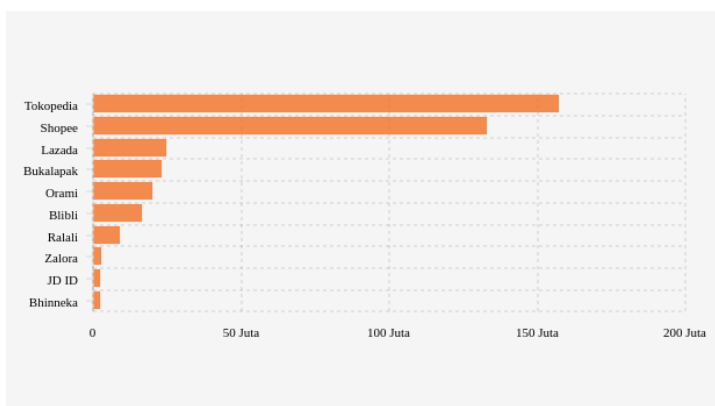


Figure 1. Top Brand Index (Source : Rumah media)

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

According to the second Marketplace in Indonesia, Shopee is the second brand index among the 10 E-Commerce retailers with the highest number of visitors in the E-Commerce category. Past exploration talking about consumer loyalty is affected side-effect quality factors, for example, (Pamela Montung, Jantje Sepang 2015) yet there are analysts who deviate, to be specific (Erry Rimawan, Ali Mustofa 2019). An interesting reason for elevating the product quality variable in this study as a factor influencing customer satisfaction is the disparity in their outcomes. Item quality is the whole of features and properties of a thing or administration that rely upon its capacities.

The promotion variable is thought to be the next factor that affects customer satisfaction. This is because Shopee runs a lot of promotions to stay competitive with other e-commerce businesses like Tokopedia. Bayu (2018) has previously found that sales promotions have a significant effect on satisfaction of customers. Deals advancement is additionally helpful for advancing more prominent purchaser attention to cost.

The following element that impacts buy fulfillment is the cost variable. Past examination, in particular that directed (Setya Ayu Diasari 2016) states that cost affects consumer loyalty. Price, according to Kotler (2008), is how much cash an item or administration costs or the value customers give up in order to get the benefits of using or owning that product or service.

Based on the phenomenon and research gap above, the authors formulate the problem as follows: How do Product Quality, Promotion and Price affect customer satisfaction in Central Jakarta?

## LITERATURE REVIEW

### Product quality

According to (Kotler, P. & Keller 2009) anything that can be sold to a market to meet a demand or need is a product. Each product has quality standards to meet the wishes of consumers, product quality is one of the factors to measure and increase customer satisfaction. Quality is the main key so that products are known and trusted by the wider community. Good quality products will be in demand by consumers. (Kotler., P & Armstrong 2010) argues that: Item quality is the capacity of an item to do its capabilities, including dependability, solidness, precision, simplicity of activity, and item fix, as well as other significant properties.

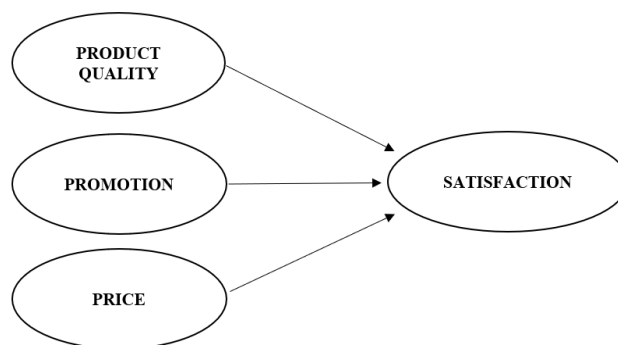
### Promotion

According to Keller and Keller (2016), advancement is a movement that conveys the superiority of a product to target customers and encourages them to purchase it. From this definition, it tends to be presumed that advancement is one of the specialized devices in promoting exercises that assumes a part in illuminating, convincing, and reviewing the advantages of an item so it urges purchasers to purchase the item. Consequently limited time exercises should be done based on shared objectives.

### Price

Price is something that can be said to be flexible because prices can change at any time following market developments. Including competitive prices in the market. Pricing aims to seek profit so that the company can run, but if competition is tight, the goal of seeking profit will be difficult to achieve. According to (Kotler and Keller 2016), there are several purposes for setting prices, including: survival, maximum current profit, maximum market, shares, product-quality leadership, other objectives.

Product quality is one of the main keys so that products are known and trusted by the wider community. Service quality is also an important factor to be considered by consumers to feel satisfied with the product or service offered. Prices and promotions are also a factor in purchasing decisions and also have an impact on consumer satisfaction after buying the product.



Source: researcher

Figure 2. Framework

### Effect of product quality on how satisfied customers are

According to the findings of a 2019 study by Zakaria, product quality has a positive and significant impact on customer satisfaction. upheld by other exploration led by (Pamela Montung, Jantje Sepang 2015) states that item quality influences consumer loyalty.

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

while research directed by (Erry Rimawan, Ali Mustofa 2019) states that item quality isn't influential for consumer loyalty. As a result, the following hypothesis can be formulated:

H1: Customer satisfaction is boosted by high-quality products..

### The influence of promotions on customer satisfaction

According to (Kotler and Keller 2016) promotion is an activity that communicates product superiority and persuades target customers to buy it. From this definition, it can be concluded that promotion is one of the communication tools in marketing activities that plays a role in informing, persuading, and recalling the benefits of a product so that it encourages consumers to buy the product. In previous research conducted by (Bayu 2018) stated that price has a positive and significant effect on customer satisfaction. Thus it can be formulated the hypothesis that:

H2: Promotion has a positive effect on customer satisfaction.

### Effect of price on customer satisfaction.

Price perceptions influence customer satisfaction, according to this study's findings, which are supported by earlier research (Pamela Montung, Jantje Sepang 2015) that found price has a positive and significant effect on customer satisfaction. and furthermore upheld by research led (Zakaria 2019) showing the aftereffects of his examination that costs influence individuals' fulfillment. Thus, the following is the hypothesis::

H3: The price relationship has a positive effect on customer satisfaction.

## Methods

In Cunsomer Shopee, Indonesia, a quantitative overview served as the focus of the examination. The respondents were Kopi Lain Hati clients who visited one of the stores something like one time each month. Validity and reliability tests are the first step in the analytical method, and the results of all statements and variables are deemed valid and reliable (Widyarsih et al., 2022). 100 respondents were included in our non-probabilistic (convenience sampling) selection. 2023). Moreover, the standard presumption tests, for example, the ordinarieness test, the heteroscedasticity test, the multicollinearity test, the different relapse examination, and the speculation testing (t and f tests) are utilized (Widyarsih et al., 2023)

## RESULTS

### Normality Test Results

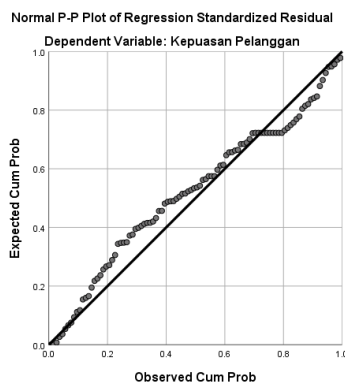


Figure 3. Explains the data normality test results

In view of the result of the information handled through SPSS 26, it tends to be deciphered that the information that has been inspected is typically circulated, in light of the fact that the focuses in the picture are not far away and follow a corner to corner line. As a result, the data used in this study have a normal distribution.

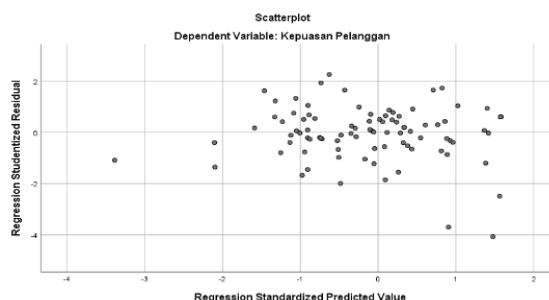


Figure 4. Explains the data Heterokedasitas test results

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

Based on Figure 2, it shows that the diagram meets the criteria for the heteroscedasticity test. This is because the points spread well and do not converge at one point. The points are scattered in the data above and below the number 0 on the X and Y axes, and do not form a specific pattern. So it can be concluded that the regression model to be used is free from heteroscedasticity problems

### Multicollinearity Test

**Table 1. Multicollinearity Test Results**

Variabel	Collinearity Statistics	
	Tolerance	VIF
Product Quality	0.251	3.980
Promotion	0.099	10.097
Price	0.111	9.011

Source: spss 26

The VIF value is less than 10, and the tolerance value is greater than 0.1., indicating that there is no multicollinearity issue. The study's VIF value was less than 10, and the tolerance value was greater than 0.1, according to the table above. The consequences of this study can be expressed that there is no multicollinearity

**Table 2. Autocorrelation Test Results**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.887 <sup>a</sup>	.787	.781	3.27232	2.001

a. Predictors: (Constant), Price, Product Quality, Promotion  
b. Dependent Variable: Satisfaction

Source: spss 26

The results of the autocorrelation test carried out obtained a DW value of 2,001. In the Durbin Watson table for research using 3 independent variables (k = 3) and a total sample of 100 (N = 100), the DL value is 1.631 and DU is 1.736. Therefore the DW value is in the condition  $DL < DW > DU$ , it can be concluded that there is no autocorrelation.

**Table 3. Multiple Linear Analysis**

Variabel	Standardized Coefficient	t-hitung
(Constant)		2.984
Product Quality	0.752	8.003
Promotion	0.073	0.491
Price	0.082	0.580

Source: spss 26

### Multiple Linear Regression Test Results

From the aftereffects of different straight relapse tests between Item Quality, Advancement and Cost on Consumer loyalty, the accompanying condition can be gathered:

$$Y = 4.648 + 0.296X_1 + 0.035X_2 + 0.077X_3 + e$$

Several things can be explained using the regression equation and the results of the data analysis:

- A constant value of 4,648 indicates that the autonomous variable affects the reliant variable's pure value.
- The relapse coefficient for the item quality variable ( $X_1$ ) has a positive worth of 0.296 and is huge and shows the outcomes that emphatically affect consumer loyalty (Y)
- The relapse coefficient for the advancement variable ( $X_2$ ) has a positive worth of 0.035 and is huge and shows the outcomes that emphatically affect consumer loyalty (Y)
- The relapse coefficient at the cost variable ( $X_3$ ) has a positive worth of 0.077 and is critical and shows the outcomes that decidedly affect consumer loyalty (Y)

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

### T test results

The outcomes that can be described as follows on the basis of table 4:

- With a significance level of 0.000 < 0.05, it was discovered that t-count 8.003 was greater than t-table 1.6607. So it very well may be inferred that the item quality variable fundamentally affects consumer loyalty.
- The advancement variable gets a t-count of 0.491 < t-table of 1.6007 with an importance worth of 0.624 > 0.05. Therefore, it can be concluded that customer satisfaction is unaffected by the promotion variable.
- The price variable has a significance level of 0.563 greater than 0.05 and a t-count of 0.580 < t-table 1.6007 So it very well may be inferred that the cost variable affects consumer loyalty.

### F Test Result

**Table 4. F Test Result**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3803.415	3	1267.805	118.397	.000 <sup>b</sup>
	Residual	1027.975	96	10.708		
	Total	4831.390	99			

a. Dependent Variable: Satisfaction  
b. Predictors: (Constant), Price, Product Quality, Promotion

Source: spss 26

In view of table 4 above, it very well may be seen that the f-count is 118.397 > f-table is 3.0912 with a meaning of 0.000 < 0.005, so it tends to be reasoned that the variable item quality (X<sub>1</sub>), advancement (X<sub>2</sub>), and value (X<sub>3</sub>) impact all the while on consumer loyalty (Y).

**Table 5. Determination Coefficient Test Results (R2)**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted Square	RStd. Error of the Estimate	Durbin-Watson
1	.887 <sup>a</sup>	.787	.781	3.27232	2.001

a. Predictors: (Constant), Price, Product Quality, Promotion  
b. Dependent Variable: Satisfaction

Source: spss 26

Based on table 5 above, it shows that the adjusted R2 value is 0.781. So variations of the independent variables (product quality, promotion and price) are able to explain or influence the dependent variable (customer satisfaction). The influence obtained from the results of calculations through SPSS is 78.7% while the remaining 21.3% is the variance of the related variables which are supported by other factors.

## DISCUSSION

### Customer Satisfaction and Product Quality in Relationships

Because product quality has a positive effect on customer satisfaction, the analysis reveals that the first hypothesis is accepted by the product quality variable. This should be visible in Table 4.68. The product quality variable received a t-count of 8.003 and a t-table of 1.6007 in the T test, respectively, with a significance level of 0.000 < 0.05. Item quality is an element that can be considered for the advancement of the organization. The normal nature of the item will build its own fulfillment while utilizing it. Product quality was found to have a positive and significant impact on customer satisfaction in previous research (Zakaria 2019). Then research led by (Pamela Montung, Jantje Sepang 2015) additionally showed results that item quality influences consumer loyalty. In the mean time, there are contrasts in the aftereffects of exploration directed by (Erry Rimawan, Ali Mustofa 2019) showing the outcomes that item quality doesn't influence consumer loyalty. Subsequently, quality influences purchaser fulfillment since it can address consumers' desired issues true to form.

## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

### The Effect of Promotion on Customer Satisfaction

Because promotion has no effect on customer satisfaction, the analysis reveals that the second hypothesis is accepted by the promotion variable. The promotion variable receives t-count 0.491 t-table 1.6007 with a significance level of 0.624 greater than 0.05, as evidenced by the t test results. In order for businesses to encourage customers to use the application more frequently, promotions conducted by businesses for customers and vice versa need to be taken into consideration as well. As per research directed by (Yulianto 2020) the outcomes show that advancement affects consumer loyalty. In the meantime, the findings of Saputri and Rahardjo 2020's research, which demonstrated that promotions have no effect on customer satisfaction, differ. Therefore, customer satisfaction is unaffected by promotions.

### The Effect of Price on Customer Satisfaction

The results of the analysis show that the price variable considers the third hypothesis to be accepted because price has no effect on customer satisfaction. This can be seen in the results of the t test showing the results that the price variable obtained t-count  $0.580 < t\text{-table } 1.6007$  with a significance value of  $0.563 > 0.05$ . Prices given by companies to consumers and vice versa must also be considered so that consumers are more interested in shopping. Previous research conducted by (Adi and Sukawati 2018) showed the result that price has a positive and significant influence on customer satisfaction. Meanwhile, research conducted by (Firatmadi 2017) shows the result: customer satisfaction is unaffected by price. Therefore, price does not affect customer satisfaction.

## CONCLUSION

From managing the analysis of all research data, the following conclusions can be drawn::

- Item quality decidedly affects consumer loyalty, so the main speculation in this study is acknowledged.
- Since customer satisfaction is unaffected by promotions, the second hypothesis of this study is rejected.
- The third hypothesis of this study is false because customer satisfaction has no bearing on price.

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## Contributions to Customer Satisfaction from Product Quality, Promotion and Price

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