

THE INFLUENCE OF PRODUCT QUALITY, PRICE PERCEPTION AND LOCATION ON CUSTOMER SATISFACTION AT WARMINDO BAROKAH KEDUNGUMUNDU

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Abstract : The purpose of this research is to analyze the influence of product quality, price perception and location on customer satisfaction at Warmindo Barokah Kedungmundu. The population in this study were Warmindo Barokah Kedungmundu customers. The research method used was purposive sampling. The data used were 99 respondents using the questionnaire data collection method. Data analysis uses multiple linear analysis. The results from respondent data prove that product quality has a positive and significant effect on customer satisfaction. Price perception has no effect on customer satisfaction and location has a positive and significant effect on customer satisfaction.

Keywords: product quality, price perception, location, customer satisfaction

INTRODUCTION

The main factor that is important for customers to consider is product quality. According to Kotler and Keller (2018) quality is the totality of features and characteristics of a product or service that depend on its ability to satisfy stated or implied needs. Product quality is something that needs to receive primary attention from the company or manufacturer. Considering product quality is related to consumer satisfaction issues. Meanwhile, customer satisfaction is the goal of marketing activities carried out by producers.

Apart from product quality, another very important factor that can influence customer satisfaction is the price perception factor. After developing a pricing structure and strategy, business actors often face a situation where they have to make price changes or respond to price changes made by most competitors. Because price also has an important role in influencing customer satisfaction in purchasing a product, so it really determines the success of marketing a new product.

Apart from the price factor, the location factor is also no less important. Location is also a factor that determines the success of a business. According to Tjiptono and Chandra (2011: 130), location is the place where a company operates or where the company carries out activities to produce goods and services that prioritize economic aspects to be sold to customers.

Customer Satisfaction is the part related to creating customer value. Because creating customer satisfaction means providing benefits to the owner of Warmindo, namely, the relationship between the owner of Warindo and his customers becomes harmonious, providing a good basis or creating customer satisfaction and forming a word of mouth recommendation that is profitable for the owner of Warmindo so that customer satisfaction arises. The three factors above are considered to influence the survival of a Warmindo Barokah business because they are related to customer satisfaction.

In several studies regarding product quality variables on customer satisfaction, there are still some differences in findings or research gaps. According to research results by Herlambang et al (2021), Putra (2021) and Santika and Aquina (2024) show that product quality has a positive and significant effect on customer satisfaction. Meanwhile, according to Budiastari (2017) and Febriana et al (2022), it shows that product quality has no significant effect on customer satisfaction.

In several studies regarding price perception variables on customer satisfaction, there are still some differences in findings or research gaps. According to the research results of Kristianti and Rivai (2018), Nugroho et al (2023), Nainggolan (2022) and Sumiyanti and Soliha (2020) show that price perception has a positive and significant effect on customer satisfaction. Meanwhile, according to Febriana et al (2022) and Sulistiyanto et al (2015) show that price perceptions have no effect on customer satisfaction.

In several studies regarding location variables on customer satisfaction, there are still some differences in findings or research gaps. According to the research results of Wahyudi (2018), Sari et al (2018), and Sumiyati and Soliha (2020), it shows that location has a positive and significant influence on customer satisfaction, whereas according to Situmeang (2017) it shows that location does not have a positive and significant influence on customer satisfaction. .

From previous research and the description above, the researcher wants to investigate and select the variables of product quality, price perception and location in influencing customer satisfaction. This research wants to analyze these three variables which are believed to have a major contribution in influencing customer satisfaction, especially at Warmindo Barokah Kedungmundu.

METHODS

In this research, the object Warmindo Barokah Kedungmundu was taken. This population was taken from Warmindo Barokah customers. This research uses a purposive sampling technique, namely a sampling method based on special considerations. Sampling in this study was carried out with the following criteria:

1. Aged 17 years or more who purchased Warmindo Barokah Kedungmundu products
2. Have purchased Warmindo Barokah Kedungmundu products at least 2 times.
3. Willing to provide information.

FINDING AND DISCUSSIONS

Validity Test

Table 1 Validity Test Results

Variable	Indikator	KMO (0,5)	Loading Faktor (0,4)	Information
Product Quality (X1)	X1.1	0,911	0,787	Valid
	X1.2		0,840	Valid
	X1.3		0,735	Valid
	X1.4		0,820	Valid
	X1.5		0,856	Valid
	X1.6		0,848	Valid
	X1.7		0,785	Valid
	X1.8		0,793	Valid

Variable	Indikator	KMO (0,5)	Loading Faktor (0,4)	Information
Price Perception (x2)	X1.9	0,794	0,731	Valid
	X2.1		0,833	Valid
	X2.2		0,868	Valid
	X2.3		0,909	Valid
	X2.4		0,816	Valid
Location (X3)	X3.1	0,883	0,764	Valid
	X3.2		0,855	Valid
	X3.3		0,848	Valid
	X3.4		0,774	Valid
	X3.5		0,750	Valid
	X3.6		0,797	Valid
	X3.7		0,641	Valid
	X3.8		0,755	Valid
Customer Satisfaction (Y)	Y1	0,831	0,883	Valid
	Y2		0,877	Valid
	Y3		0,904	Valid
	Y4		0,893	Valid

Source: primary data processed in 2023

Validity test using factor analysis of the desired KMO value is > 0.5 for each item which is said to be valid if the factor loading has a value > 0.4. Based on the test results, it shows a KMO value > 0.5, which means that the 99 samples in this study met the requirements. Testing of the independent variable (X) and dependent variable (Y) has matrix component numbers with factor loading values > 0.4 so that all statement items on the indicators are said to be valid, so they are suitable for use as research instruments

Reliability Test

Table 2 Reliability Test Results

Variable	Cronbach's Alpa	Rate of Thumb	Information
Product Quality(X1)	0,929	> 0,7	Reliabel
Price Perception(X2)	0,872	> 0,7	Reliabel
Location (X3)	0,895	> 0,7	Reliabel
Customer Satisfaction (Y)	0,909	> 0,7	Reliabel

Source: primary data processed in 2023

The variable reliability test is determined based on Cronbach's alpha value. Based on the test results, it is known that each variable has a Cronbach's alpha value > 0.7. Thus, the results of the reliability test on all variables are reliable and can be analyzed further.

Multiple Linear Regression

Tabel 3 Multiple Linear Regression Results

Equality	Variabel Independen	Standardized Coefficients	Sig	Information
Equation between X1, X2, X3 to Y	Product Quality(X1)	0,536	0,000	accepted
	Price Perception (x2)	0,038	0,623	rejected
	Location (X3)	0,358	0,000	accepted
Variabel Dependen : Customer Satisfaction (Y)				
Adjusted R Square (R ²) = 0,742				
F = 95,139				
Sig = 0,000				

Source: primary data processed in 2023

$$Y = 0,536X_1 + 0,038X_2 + 0,358X_3 + e$$

The results of the SPSS calculation of the multiple linear regression equation above can provide the following meaning:

1. The regression coefficient for the product quality variable (X1) has a positive value of 0.536. This means that if the product quality gets better, customer satisfaction will increase.
2. The price perception regression coefficient (X2) is positive at 0.038. This means that if the price perception gets better, customer satisfaction will increase.
3. The location regression coefficient (X3) has a positive value of 0.358. This means that if the price perception gets better, customer satisfaction will increase.

Model Test

Coefficient of Determination (R²)

This test used to measure how far the ability to explain variations in the dependent variable. Based on the test result, the Adjusted R Square (R²) value of 0.742 means that the customer satisfaction variable is able to be influenced by product quality, price perception and location variables by 74.2% while the remainder is explained by other variables outside this research by 25.8%.

F test

The F test is used to test the independent variable against the dependent variable with a significance level used of $\alpha = 5\%$ or 0.05. Based on table 4.13 above, the results of the ANOVA test show that the calculated F value of variable Y is 95.139 with a significance level of 0.000 (< 0.05). So it can be concluded that the variables product quality (X1), price perception (X2) and location (X3) simultaneously influence customer satisfaction (Y).

Hypothesis Test (t Test)

Hypothesis testing is the process of evaluating evidence on the strength of a sample and providing a related basis for the population. This t (partial) test is used to show how far an independent variable individually explains a dependent variable. Based on table 4.13 above, the hypothesis testing t is obtained as follows:

1. The results of the t test for the product quality variable on customer satisfaction obtained a significance of $0.000 < 0.05$, so that the first hypothesis (H1) was accepted, which means that product quality has a significant positive effect on customer satisfaction.
2. The t test results of the price perception variable on customer satisfaction obtained a significance of $0.623 > 0.05$, so the second hypothesis (H2) was rejected, which means that price perception has no effect on customer satisfaction.
3. The results of the t test for location variables on customer satisfaction obtained a significance of $0.000 < 0.05$, so that the third hypothesis (H3) was accepted, which means that location has a positive and significant effect on customer satisfaction.

Discussion

The Influence of Product Quality on Customer Satisfaction

According to Kotler and Keller (2018) quality is the totality of features and characteristics of a product or service that depend on its ability to satisfy stated or implied needs. The product quality variables in this study used 9 indicators, namely color, appearance, portion, shape, temperature, texture, aroma, level of doneness and taste.

The results of the analysis of product quality variable descriptions show an average value of 4.20. There is one indicator in the product quality variable that is most dominant in indicator X1.7, namely 4.39 (agree) which explains "The attractiveness of the aroma presented by Warmindo Barokah Kedungmundu". This means that consumers agree and are in line with the statement. Apart from that, when calculating the significance value, the results were $0.000 < 0.05$ and the beta coefficient was 0.536, which means the first hypothesis (H1) was accepted. So it can be concluded that product quality has a positive and significant effect on customer satisfaction. This is in line with research conducted by Herlambang et al (2021), Putra (2021) and Santika and Aquina (2024) showing that product quality has a positive and significant effect on customer satisfaction.

The Influence of Price Perceptions on Customer Satisfaction

According to Kotler and Armstrong (2012) price is the amount of money sacrificed for a product or service, the customer value exchanged to gain benefits from ownership or use of a product or service for the purpose of setting prices. The price perception variable in this research uses 4 indicators, namely price affordability, price suitability to product quality, price competitiveness and price suitability to benefits.

The results of the analysis of the description of the price perception variable show an average value of 4.34. There is one indicator in the price perception variable that is most dominant in indicator This means that consumers agree and are in line with the statement. Apart from that, when calculating the significance value, the results were $0.623 > 0.05$ and the beta coefficient was 0.38 so that the second hypothesis (H2) was rejected. So it can be concluded that price perception has no effect on customer satisfaction. This is in line with research conducted by Febriana et al (2022) and Sulistiyanto et al (2015) which shows that price perceptions have no effect on customer satisfaction.

The Effect of Location on Customer Satisfaction

According to Tjiptono (2015) location is distribution referring to various marketing activities that try to expedite and facilitate the delivery or distribution of goods and services from producers to consumers. The location variables in this study use 8 indicators, namely access, visibility, traffic, parking, expansion, environment, competition and government regulations.

The results of the analysis of the location variable description show an average value of 4.36. There is one indicator in the location variable that is most dominant in indicator This means that consumers agree and are in line with the statement. Apart from that, when calculating the significance value, the results were $0.000 < 0.05$ and the beta coefficient was 0.358, which means the third hypothesis (H3) was accepted. So it can be concluded that location has a positive and significant effect on customer satisfaction. This is in line with research conducted by Wahyudi (2018), Sari et al (2018), and Sumiyati and Soliha (2020) which shows that location has a positive and significant effect on customer satisfaction.

CONCLUSION

Based on the test results previously explained, it can be concluded, among others: Product quality variables have a positive and significant effect on Warmindo Barokah Kedungmundu customer satisfaction; The price perception variable has no effect on Warmindo Barokah Kedungmundu customer satisfaction; Location variables have a positive and significant effect on customer satisfaction at Warmindo Barokah Kedungmundu.

Suggestions that can be given to Warmindo management include: Warmindo Barokah Kedungmundu must maintain product quality, especially in terms of maturity level and consistency of taste. It is hoped that customers will feel satisfied and will visit Warmindo Barokah Kedungmundu again; and Warmindo Barokah Kedungmundu must maintain affordable prices. Especially in food quality, by improving the quality of the food and making the prices affordable to customers, it is hoped that customers will find it easy and will be interested in returning to visit Warmindo Barokah Kedungmundu.

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