

THE ROLE OF CUSTOMER SATISFACTION IN MEDIATING THE INFLUENCE OF PERCEIVED PRODUCT QUALITY AND BRAND IMAGE ON REPURCHASE DECISIONS AT ROMA TOP TEBING TINGGI

Sarwoto, Nurhafizah Buaya, Bobby Hartanto, Suci Etri Jayanti. S, Fitriyaningsih^{1,2,3,4,5}

Sekolah Tinggi Ilmu Ekonomi Bina Karya Tebing Tinggi, Tebing Tinggi
Jl. Diponegoro, Tel/Fax 0621-24775

*Corresponding e-mail: sarwotohisyam@gmail.com, nurhafizahby@gmail.com, bobby.hartanto.mmsi@gmail.com,
Sucietrijayanti@gmail.com, fitriyaningsihbk3@gmail.com

Abstract

The purpose of this research is to know the Influence of Perceived Product Quality And Brand Image On Repurchasing Decisions Through Customer Satisfications As Intervening Variables At Roma Top Tebing Tinggi. This research was doing at Roma Top's customer. The research was descriptive and quantitative methods of data analysis. Sampling techniques used accidental sampling to decide 95 respondents. Data collection uses technology questionnaire. Data analysis methods using Structural Equation Model (SEM) based Partial Least Square (PLS 3.0). The results from Smart PLS 3.0 at this research: 1) Perceived Product Quality has a significant influence on Customer Satisfication. 2) Brand Image has a significant influence on Customer Satisfication. 3) Perceived Product Quality does not have a significant influence on Repurchasing Decisions. 4) Brand Image has a significant influence on Repurchasing Decisions. 5) Customer Satisfaction does not have a significant influence on Repurchasing Decisions. 6) Perceived Product Quality does not have a significant influence on Repurchasing Decisions through Customer Satisfication. 7) Brand Image does not have a significant influence on Repurchasing Decisions through Customer Satisfication.

Keywords: *Perceived Product Quality, Brand Image, Repurchasing Decisions, Customer Satisfications*

1. INTRODUCTION

Consumers as individuals in obtaining or purchasing goods have gone through processes and stages first, such as getting information, either through advertising or references from other people, then will compare one product with another until finally making a decision to buy the product and making repeated purchases. -repeat. According to (Amstrong, Gary & Philip, 2014) Repurchase is a behavior that simply involves purchasing the same particular brand repeatedly, this could be because it is the only brand available, the cheapest brand and so on. A person's purchasing decision can be said to be unique, because each person's preferences and attitudes towards objects are different. In addition, consumers come from several segments so. Their wants and needs are also different. There are still many factors that influence purchasing decisions. Manufacturers need to understand consumer behavior towards products or brands on the market. In 2020, more precisely during the pandemic, the home-based producer Roma Top was founded, at first the owner did not sell sliced bread but other bread, which in the end was less popular with customers. After that, the owner started producing split bread which was sold only through online orders, with a limited choice of flavors and small production. After that the owner started opening an outlet located on Jl. Ahmad Yani no 67, this is where Roma Top first became known and sought after by many people, there has been an increase in the number of productions and the choice of flavors has varied. Within 3 years, Roma Top was able to compete with similar products, this was proven by being the pioneer of the first split bread and having become one of the typical souvenirs of the city of Tebing Tinggi. According to Daryanto (2014), factors that influence consumer purchasing decisions include product quality.

According to (Amstrong, 2018) Repurchase is a consumer's post-purchase action, the occurrence of satisfaction or dissatisfaction after a consumer's purchase of a product will influence subsequent behavior, if the consumer is satisfied then they will show a higher possibility of repurchasing the product.

Repurchase decisions are also based on customer satisfaction. Customer satisfaction is a company's benchmark for how things will go in the future or there are even some things that need to be changed because customers feel dissatisfied or disadvantaged.

If consumers are not satisfied, of course consumers will not come back again and may also complain about their dissatisfaction to other consumers. Of course, this will be a threat to the entrepreneur. In supporting repeat purchase decisions made by customers, the researcher displays the number of customers in the last 6 months.

Table 1
Number of Top Roma Customers 2022-2023

| NNo | Month and Year | Number of Customers |
|-----|----------------|---------------------|
| 1 | October 2022 | 3000 |
| 2 | November 2022 | 3000 |
| 3 | December 2022 | 2800 |
| 4 | January 2023 | 1500 |
| 5 | February 2023 | 900 |
| 6 | March 2023 | 500 |

Source : Roma Top (2023)

From data sources it can be seen that in October-December 2022 the number of customers reached 3000 people because some of these customers were old customers who made repeat purchases due to their satisfaction with the perceived quality and brand image of Roma Top and most of these customers were new customers. In January-March 2023 there was a very drastic decline in customers, this decline occurred due to a social phenomenon. This social phenomenon is the approach of the holy month of Ramadan, which results in a decrease in consumption power, thereby reducing the desire to carry out the purchasing process. Roma Top as one of the home industries realizes the importance of product quality, therefore Roma Top always provides their best quality in producing bread. The perception of quality given by consumers is one form of evidence that Roma Top provides good quality. The product planning produced by the company must truly suit consumer needs. Apart from that, the products produced must reflect good quality. This is to be in accordance with the company's goals, where the product produced is acceptable and in accordance with consumer needs and can satisfy consumers, because the product is the central point of marketing activities, the success of a company can be known from the response shown by consumers.

According to (Amstrong, 2018) Satisfaction also depends on the quality of products and services. It can be said that the seller has delivered quality when the product or service meets or exceeds customer expectations. Product and service quality, customer satisfaction, and company profitability are closely related. The higher the quality level, the higher the level of consumer satisfaction. Apart from quality, the taste provided is also important in fulfilling customer satisfaction. The taste of Roma Top is different from similar products. This can be seen when consumed. The softness combined with the sweet taste that comes from the topping creates a special taste for customers. . Another thing is that the price offered is affordable, with this price the customer feels satisfied with the Roma Top product, which means it is in line with what the customer expects. Apart from that, producers must also maintain and even improve the quality of their products so that consumers have loyal behavior towards these products. According to (Amstrong, Gary & Philip, 2014) Quality is a combination of the properties and characteristics of a product, and assessing how far these properties and characteristics can meet one's needs. According to (Sarwoto, 2019) Consumer perceptions of the overall quality of a product or service can determine the value of the product or service and directly influence consumer purchasing decisions and their loyalty to the brand.

As supporting data, researchers conducted a pre-survey limited to 1 day with 25 respondents to find out customer perceptions of Roma Top products which are attached in the following data:

Table 2
Pre-Survey of Quality Perceptions of Top Roma Products

| No | Question | Agree | Agree | No Agree | No Agree |
|--------|--|-----------|-------|----------|----------|
| 1. | Are Roma Top products compatible with slogan "soft to the heart" | 21 People | 84% | 4 People | 16% |
| 2. | Whether the product can survive outside the cupboard cooler | 21 People | 84% | 4 People | 16% |
| 3. | Will the taste change after purchase more than one day | 19 People | 24% | 6 people | 76% |
| Amount | | 64 % | | 36 % | |

Source: processed data (2023)

From the table above it can be concluded that customers have a good perception of Roma Top products. It can be seen that around 84% of respondents or 21 people stated that the Roma Top product lives up to its slogan, then around 84% of respondents also stated that the durability of the Roma Top product is very good if it is outside the refrigerator. As many as 76% of respondents or 19 people stated that there was no change in taste after purchasing one day. Based on the table above, it can be concluded that Roma Top products have a good perception according to consumers, which means that Roma Top has provided quite good quality in producing its bread, as evidenced by the large number of customers who agree with the suitability and durability of Roma Top products. Apart from the perception of the quality of the brand image, it also plays an important role in customer satisfaction. Brand Image is an important aspect or element related to the product. Moreover, in the 21st century, as it is now, it is increasingly modern, demonstrated by increasingly developing economic growth and increasingly sophisticated technology. Providing a direct impact on people's lives which indirectly changes the concept of thinking to a more practical and economical way to achieve an increasingly modern standard of living. Modern society is demonstrated by the frequent demands for prestige in its social life. Each individual becomes more open in providing high standards of value to the quality of products and services. With so much business competition nowadays, every company needs a strategy to build a strong brand image so that it can excel in business competition with its competitors.

According to (Kotler, 2009) creating a positive brand image requires a marketing program that is strong, profitable and unique to the brand's memory. Consumers who have a positive image of a brand tend to choose that brand when purchasing. For consumers, a brand is a feature or characteristic of a product and will provide its own legal protection for that product. With a brand, consumers can easily differentiate the characteristics of each product. Manufacturers are certainly very interested in the decisions made by someone about the quality of the products and services they offer. Consumer decisions are influenced by people's decisions about certain brands. Brand image is a representation of the overall perception of a brand and is formed from information and past experiences with the brand. Roma Top also realizes that brand image is also very important in customer satisfaction because a positive image will have a good impact. Roma Top itself, which has been running for 3 years, is able to compete with existing products. As one example, it has become a typical souvenir of the new city of Tebing Tinggi, this proves that its image is able to compete with other typical souvenirs such as peanut bread or lemang. Getting a review from a food vlogger from North Sumatra adds to the positive image of Roma Top.

THE ROLE OF CUSTOMER SATISFACTION IN MEDIATING THE INFLUENCE OF PERCEIVED PRODUCT QUALITY AND BRAND IMAGE ON REPURCHASE DECISIONS AT ROMA TOP TEBING TINGGI

Sarwoto, Nurhafizah Buaya, Bobby Hartanto, Suci Etri Jayanti. S, Fitriyaningsih



Figure 1 Roma Top brand image

Customer satisfaction can be felt after customers compare their experience in purchasing goods or services from sellers or providers of goods or services with the expectations of the buyers themselves. These expectations are formed through their first experience in purchasing a good/service, comments from friends and acquaintances, as well as promises and information from marketers and competitors. Marketers who want to excel in competition must of course pay attention to customer expectations and customer satisfaction. According to (Amstrong, Gary & Philip, 2014) Customer satisfaction is a central element in modern marketing thinking and practice. Based on the theory above, it can be concluded that customer satisfaction is a customer response in the form of feelings or assessments regarding product use where their expectations and needs are met. The satisfaction felt by customers will encourage customers to make repeat purchases. Repurchases occur because the customer's wishes are fulfilled for what they expect. This expectation comes from the perceived quality, with a good quality perception it will provide customer satisfaction. And a good or positive brand image will give rise to a feeling of satisfaction, where the feeling of satisfaction arises from choosing the right brand.

2. RESEARCH METHODS

The measurement model (outer model) is confirmatory factor analysis (CFA) to test the validity and reliability of latent constructs. The following are the results of the outer model evaluation in this research:

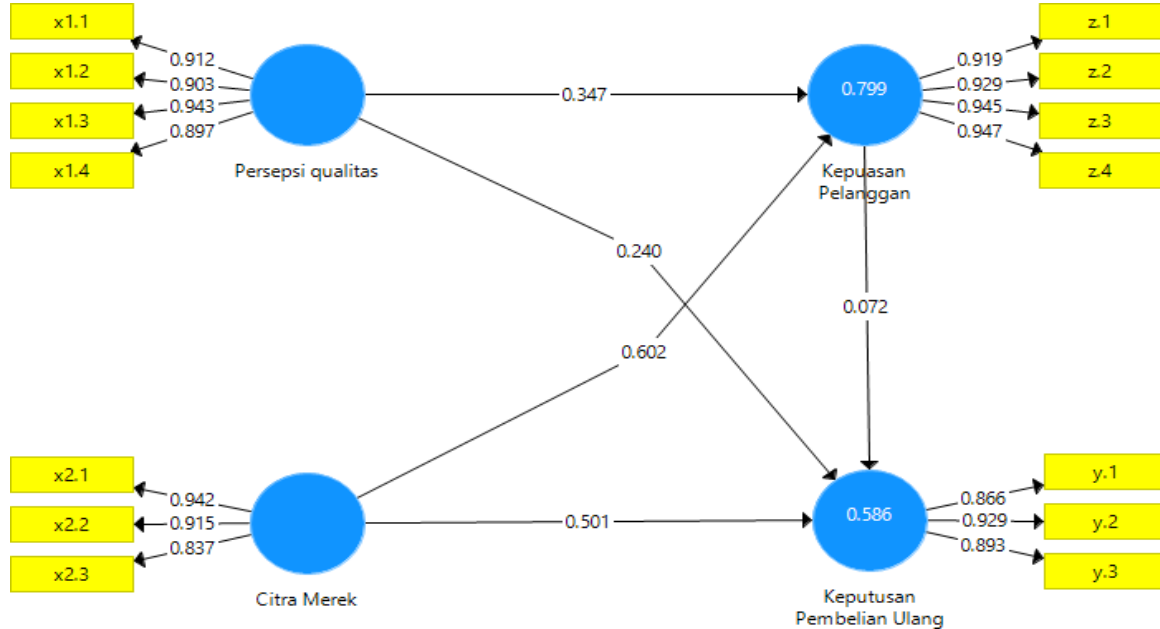


Figure 2 Outer Model

This research uses assistance from Smart PLS 3.0 software to test the validity and reliability of the research instrument. To test the validity of data, convergent validity can be used to look at the loading factor value and discriminant validity by looking at the cross loading value.

An instrument is said to be reliable by looking at the Average Variance Extracted value of more than 0.5. Cronbach Alpha is more than 0.6 and Composite Reliability is more than 0.7. The following results of reliability calculations via Average Variance Extracted (AVE), Cronbach Alpha, and Composite Reliability can be seen in the following table:

Table 5
Calculation of AVE, Cronbach Alpha and Composite Reliability

| | Cronbach'sAlpha | rho_A | CompositeReliability | Average Variance Extracted (AVE) |
|-----------|-----------------|-------|----------------------|----------------------------------|
| X1 | 0.934 | 0.935 | 0.953 | 0.835 |
| X2 | 0.880 | 0.884 | 0.926 | 0.808 |
| Z | 0.952 | 0.953 | 0.965 | 0.874 |
| Y | 0.877 | 0.884 | 0.925 | 0.803 |

Source: Primary data processed (2023)

Based on Table 5 above, it can be seen that the Cronbach Alpha value of the product quality perception variable is 0.934, the brand image variable is 0.880, the customer satisfaction variable is 0.952 and the repurchase decision variable is 0.877. From the results of the calculations above, it can be seen that all indicators are reliable in measuring the latent variables.

THE ROLE OF CUSTOMER SATISFACTION IN MEDIATING THE INFLUENCE OF PERCEIVED PRODUCT QUALITY AND BRAND IMAGE ON REPURCHASE DECISIONS AT ROMA TOP TEBING TINGGI

Sarwoto, Nurhafizah Buaya, Bobby Hartanto, Suci Etri Jayanti, S, Fitriyaningsih

Evaluation of the Inner Model can be seen from several indicators which include the coefficient of determination (R²), Predictive Relevance (Q²) and Godness Of Fit Index (GoF). The results of the structural model displayed by Smart PLS 3.0 in this research are as follows:

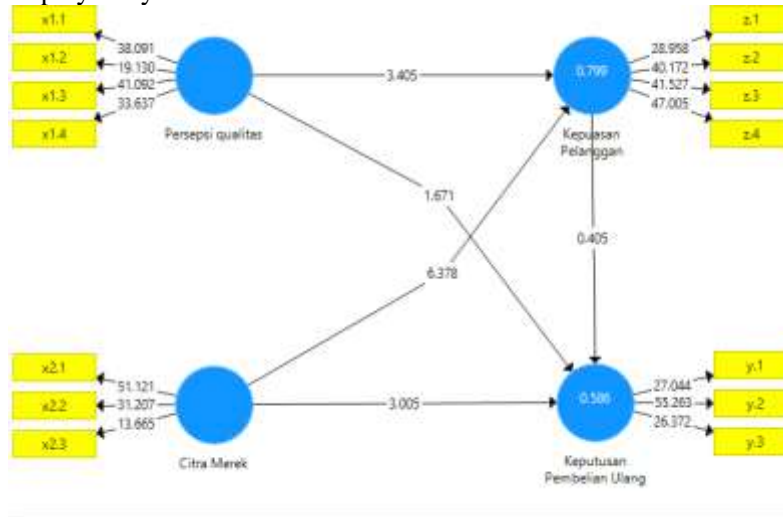


Figure 4 Structural Model (Inner Model)

In assessing the model with PLS, start by looking at the R-Square for each dependent latent variable. The results of the r² calculation in this study are as follows:

Table 6 Correlation Value (r²)

| Variable | R ² |
|---------------------------|----------------|
| Customer Satisfaction (Z) | 0.799 |
| Repurchase Decision (Y) | 0.586 |

Source: Primary data processed (2023)

Based on the calculation results using bootstapping in table 6 above, it is known that the r² value of the variable Z (Customer Satisfaction) is 0.799, which means that Z is influenced by X1 and X2 by 79.9% or in other words the contribution of X1 and X2 is 79.9%, while the remaining 20.1% is the contribution of other variables not discussed in this research. The r² result of variable Y is 0.586, which means that Y (Repurchase Decision) is influenced by X1, X2 and Z by 58.6% or in other words the contribution of X1, is the contribution of other variables not discussed in this research. Godness of Fit calculations can be used to determine the magnitude of the contribution made by exogenous variables to endogenous variables. The GoF value in PLS analysis can be calculated using Q-Square Predictive Relevance (Q²). The following are the results of the Godness of Fit Model calculations in this research:

$$Q^2 = 1 - (1 - r^2_1)(1 - r^2_2)$$

$$Q^2 = 1 - (1 - 0.799)(1 - 0.586)$$

$$Q^2 = 0.916786$$

Based on the calculation above, the Q-Square Predictive Relevance (Q²) value is 0.916786 or 91.6%. This is able to show that the diversity of the Repurchase Decision variable (Y) can be explained by the model as a whole by 91.6% or it can also be interpreted that the contribution of X1, 4% is the contribution of other variables not discussed in this research. Direct influence testing was carried out to explain hypotheses 1, 2, 3, 4 and 5 through path coefficients. The path coefficients value can be seen through the t-statistic value which must be above the t-table, namely 1.96, which means there is an influence of exogenous variables on endogenous variables in each hypothesis that has been determined. The t-statistic value ≥ 1.960 or the probability value \leq level of significance (α 5%), concludes that the hypothesis is accepted, namely that there is a significant influence between the variables tested. Below we

will explain the explanation of each hypothesis based on the results of bootstrapping in Smart PLS 3.0 software.

Table 7 Path Coefficients

| | <i>Original Sample (O)</i> | <i>Sample Mean (M)</i> | <i>Standard Deviation (STDEV)</i> | <i>Q Statistics (O/STDEV)</i> | <i>P Values</i> |
|--------|----------------------------|------------------------|-----------------------------------|---------------------------------|-----------------|
| X1 ->Z | 0.347 | 0.336 | 0.102 | 3,405 | 0.001 |
| X2->Z | 0.602 | 0.609 | 0.094 | 6,378 | 0,000 |
| X1 ->Y | 0.240 | 0.245 | 0.143 | 1,671 | 0.095 |
| X2 ->Y | 0.501 | 0.476 | 0.167 | 3,005 | 0.003 |
| Z->Y | 0.072 | 0.099 | 0.177 | 0.405 | 0.685 |

Source: Primary data processed (2023)

An indirect influence can be declared significant if both direct influences that form it are significant. Sobel test results can be seen in the following table:

Table 8 Indirect Effects

| | <i>Original Sample (O)</i> | <i>Sample Mean (M)</i> | <i>Standard Deviation (STDEV)</i> | <i>Q Statistics (O/STDEV)</i> | <i>P Values</i> |
|----------------------|----------------------------|------------------------|-----------------------------------|---------------------------------|-----------------|
| X1 >Z>Y | 0.025 | 0.031 | 0.061 | 0.406 | 0.685 |
| X2->Z>Y | 0.043 | 0.063 | 0.112 | 0.384 | 0.701 |

Source: Primary data processed (2023)

3. RESULTS AND DISCUSSION

Based on the results of the outer model, all the hypotheses tested have met the requirements so they can be used as analytical models in this research. Hypothesis testing in this study uses alpha 5%, which means if the t-statistic value is ≥ 1.960 or the probability value is \leq level of significance (α 5%). The limit of 0.5 means that the probability of deviation is only 5% and the remaining 95% is indicated as being able to accept the hypothesis. Hypothesis testing in this research is divided into two parts, namely direct influence testing and indirect influence testing. Testing the direct effect will use bootstrapping in Smart PLS 3.0 software, while testing the indirect effect using t-statistics for the indirect effect.

Based on table 7 and table 8, the test results for each hypothesis are obtained as follows:

- H1 : There is an influence between Perception of Product Quality (X1) on Customer Satisfaction (Z) at Roma Top Tebing Tinggi. Based on the test results in table 4.11, it can be seen that the t-statistical value of the relationship between Product Quality Perception (X1) and Customer Satisfaction (Z) is 3.405 with a sig of 0.001. The test results show that the t-statistic ≥ 1.96 and the sig value \leq level of significance (α 5%).
- H2 : There is an influence between Brand Image (X2) on Customer Satisfaction (Z) at Roma Top Tebing Tinggi. Based on the test results in table 4.11, it can be seen that the t-statistical value of the relationship between Brand Image (X2) and Customer Satisfaction (Z) is 6,378 with a sig of 0.000. The test results show that the t-statistic ≥ 1.96 and the sig value \leq level of significance (α 5%).
- H3 : There is an influence between perceived product quality (X1) on repeat purchase decisions (Y) at Roma Top Tebing Tinggi. Based on the test results in table 4.11, it can be seen that the t-statistical value of the relationship between Product Quality Perception (X1) and Repurchase Decisions (Y) is 1.671 with a sig of 0.095. The test results show that the t-statistic ≤ 1.96 and the sig value \geq level of significance (α 5%).

-
- H4 : There is an influence between Brand Image (X2) on Repeat Purchase Decisions (Y) at Roma Top Tebing Tinggi. Based on the test results in table 4.11, it can be seen that the t-statistical value of the relationship between Brand Image (X2) and Repurchase Decisions (Y) is 3.005 with a sig of 0.003. The test results show that the t-statistic ≥ 1.96 and the sig value \leq level of significance (α 5%).
- H5 : There is an influence between Customer Satisfaction (Z) on the Repurchase Decision (Y) at Roma Top Tebing Tinggi. Based on the test results in table 4.11, it can be seen that the t-statistic value of the relationship between Customer Satisfaction (Z) and the Repurchase Decision (Y) is 0.405 with a sig of 0.095. The test results show that the t-statistic ≤ 1.96 and the sig value \geq level of significance (α 5%).
- H6 : There is an influence between Perception of Product Quality (X1) on Repurchase Decisions (Y) and Customer Satisfaction (Z) as an intervening variable. Based on the test results in table 4.12, it can be seen that the t-statistic value of the relationship between Perception of Product Quality (X1) on Repurchase Decisions (Y) with Customer Satisfaction (Z) as an intervening variable is 0.406 with a sig of 0.685. The test results show that the t-statistic ≤ 1.96 and the sig value \geq level of significance (α 5%).
- H7 : There is an influence between Brand Image Perception (X2) on Repurchase Decisions (Y) and Customer Satisfaction (Z) as an intervening variable. Based on the test results in table 4.12, it can be seen that the t-statistical value of the relationship between Brand Image (X2) on Repurchase Decisions (Y) and Customer Satisfaction (Z) as an intervening variable is 0.384 with a sig of 0.701. The test results show that the t-statistic ≤ 1.96 and the sig value \geq level of significance (α 5%).

4. CONCLUSION

The conclusions of this research are as follows:

1. Perception of product quality influences customer satisfaction at Roma Top Tebing Tinggi.
2. Brand image influences customer satisfaction at Roma Top Tebing Tinggi.
3. Perception of product quality has no influence on repurchase decisions at Roma Top Tebing Tinggi.
4. Brand image influences repeat purchase decisions at Roma Top Tebing Tinggi.
5. Customer satisfaction has no influence on repeat purchase decisions at Roma Top Tebing Tinggi.
6. Customer satisfaction does not mediate the influence of perceived quality on the decision to repurchase Roma Top Tebing Tinggi.
7. Customer satisfaction does not mediate the influence of brand image on the decision to repurchase Roma Top Tebing Tinggi.

REFERENCES

- Amstrong, Gary & Philip, K. (2014). Dasar-dasar pemasaran.
- Amstrong, P. K. dan K. L. (2018). Manajemen pemasaran (13 jilid 2). Prantice hall.
- Kotler, P. (2009). Manajemen Pemasaran (M. Adi (ed.); 13th ed.). PT Glora Aksara Pratama.
- Sarwoto. (2019). Pengaruh Pemasaran Pengalaman Dan Persepsi Nilai Terhadap Kepuasan Konsumen Pada Konsumen Kedai Kopi Kok Tong Tebing Tinggi. Seminar Nasional Sains & Teknologi Informasi, 196–200. <http://prosiding.seminar-id.com/index.php/sensasi/issue/archive>