Analysis of the Influence of Product Quality, Price, and Promotion on Consumer Satisfaction

Ifan Sadewa[1]
[1]Universitas Batanghari, Jambi, Indonesia, ifan.sadewa.81@gmail.com

Corresponding Author: ifan.sadewa.81@gmail.com[1]

Abstract: This study aims to analyze the effect of product quality, price, and promotion on consumer satisfaction. Using a quantitative approach and multiple linear regression analysis, data were collected from 100 respondents who had used the product. The results show that product quality, price, and promotion each have a significant positive effect on consumer satisfaction. Among the three variables, product quality has the strongest influence, followed by price and promotion. The coefficient of determination (R^2) indicates that 68.3% of the variation in consumer satisfaction can be explained by these three factors. These findings suggest that improving product quality, offering reasonable prices, and implementing effective promotional strategies are key to enhancing consumer satisfaction and loyalty. Businesses are encouraged to focus on these aspects to remain competitive and responsive to consumer expectations.

Keyword: product quality, price, promotion, consumer satisfaction, marketing strategy

INTRODUCTION

In the era of globalization and increasingly tight market competition, companies are required to be able to create added value for consumers in order to maintain the sustainability of their business. One important element that greatly determines the success of a company in marketing its products is consumer satisfaction. Consumer satisfaction is the main indicator in measuring company performance, because satisfied consumers tend to be loyal, make repeat purchases, and recommend products to others. According to Kotler and Keller (2016), consumer satisfaction is the level of a person's feelings after comparing the performance of the product received with the expectations they have. If the product is able to meet or exceed consumer expectations, then satisfaction will be achieved. Therefore, companies need to pay attention to the main factors that influence consumer satisfaction, such as product quality, price, and promotional strategies used. Product quality is the main aspect that consumers consider in choosing and using a product. Quality products will provide added value and meet consumer needs and desires. According to Garvin (1987), product quality can be interpreted as the overall characteristics and features of a product that support its ability to satisfy customer needs. High quality not only includes the durability and function of the product, but also includes aesthetics, design, and comfort of use.

In addition to quality, price is also a determining factor in decision making. Price is the amount of money that must be sacrificed by consumers to obtain a product or service. According to Tjiptono (2015), price is the only element of the marketing mix that generates revenue, while other elements create costs. Therefore, competitive prices that are commensurate with product quality will increase positive perceptions from consumers and ultimately affect their level of satisfaction. Another factor that is no less important is promotion. Promotion is a communication tool used by companies to convey product information, attract consumer attention, and encourage purchases. According to Kotler and Armstrong (2012), promotion includes various activities carried out by companies to inform, persuade, and remind consumers about the products offered. Targeted and creative promotions will strengthen brand image and expand market reach, which can ultimately increase consumer satisfaction with the company. Consumer satisfaction is not something that can be achieved instantly, but rather the result of consistent efforts to meet consumer expectations. Therefore, a deep understanding of the influence of product quality, price, and promotion on consumer satisfaction is very important to study. This study aims to analyze the extent to which the three variables simultaneously or partially influence consumer satisfaction in a particular product context. This study is relevant considering that consumers are currently increasingly critical and selective in choosing products. They do not only assess from one aspect, but consider various factors such as quality, price, and how to convey product information. Therefore, companies are required to have a holistic marketing strategy that is oriented towards customer satisfaction in order to survive and thrive amidst increasingly competitive competition.

METHOD

This study uses a quantitative approach with an associative method, which is an approach that aims to determine the influence or relationship between two or more variables. Associative research is hypothesis testing, where in this context, researchers want to know how much influence the independent variables consisting of product quality (X1), price (X2), and promotion (X3) have on the dependent variable, namely consumer satisfaction (Y1). According to Sugiyono (2019), the quantitative method is used to research a certain population or sample by collecting data using research instruments, then analyzing it statistically to test the previously established hypothesis. This approach was chosen because it is considered the most appropriate in measuring the relationship between variables that are numerical and objective. The population in this study were all consumers who had purchased or used products from [product name or brand can be adjusted]. Because the exact population size is unknown or unlimited, sampling was carried out using the purposive sampling technique. This technique was chosen with the consideration that only consumers who meet certain criteria will be respondents. The criteria in question are consumers who have used the product at least once, are over 17 years old, and are willing to fill out the questionnaire voluntarily. The number of samples in this study was determined based on the Slovin formula with a margin of error of 10% (0.1). The Slovin formula is used because the nature of the population is not known with certainty. If it is not possible to calculate the exact number of the population, then the minimum number of respondents who are eligible to be used in quantitative research is 30-100 people, in accordance with basic statistical principles.

Data collection was carried out through two sources, namely primary data and secondary data. Primary data was obtained directly from respondents through the distribution of questionnaires, while secondary data was obtained from various sources such as books, scientific journals, articles, and other references that support the theory and results of the analysis. The research instrument in the form of a questionnaire using a Likert scale with five answer choices, namely:

a. 1 = Strongly Disagree
b. 2 = Disagree
c. 3 = Neutral
d. 4 = Agree
e. 5 = Strongly Agree

Each variable is measured through several indicators arranged based on relevant theories. The product quality variable (X1) is measured through indicators such as durability, reliability, conformity to specifications, product appearance, and ease of use. The price variable (X2) includes indicators of affordability, conformity of price to quality, and price comparison with competing products. Meanwhile, promotion (X3) is measured through indicators such as advertising, discounts, social media, and other direct promotional activities. Meanwhile, consumer satisfaction (Y1) is measured by indicators such as fulfillment of expectations, experience of use, loyalty, and willingness to recommend the product to others. Before the main analysis is carried out, a validity and reliability test is first carried out on the questionnaire instrument. The validity test aims to determine the extent to which the questions in the questionnaire are able to measure what should be measured. Validity is tested using the Pearson Product Moment correlation method. The instrument is declared valid if its significance value is less than 0.05. Meanwhile, the reliability test is carried out to measure the consistency between question items in one variable, which is calculated using Cronbach's Alpha. An instrument is considered reliable if the alpha value is greater than or equal to 0.60 (Nunnally, 1994). With this method, it is expected that the research results will be able to provide a clear picture of the influence of product quality, price, and promotion on consumer satisfaction. This research is not only useful for the development of theories in the field of marketing, but also provides practical advice for companies in improving strategies to achieve optimal customer satisfaction.

RESULTS AND DISCUSSION
Result

The Based on the results of distributing questionnaires to 100 respondents who met the criteria, the data were then analyzed using statistical software. The following are the results of data processing:

1. Validity and Reliability Test

All items in each variable (product quality, price, promotion, and consumer satisfaction) have a calculated r value> r table (0.197 at N = 100, α = 0.05), and a significance value <0.05, so all items are declared valid. Meanwhile, the results of the reliability test show that the Cronbach's Alpha value for each variable is more than 0.7, which means that all instruments have a high level of reliability.

2. Classical Assumption Test

a. Normality Test: Based on the Kolmogorov-Smirnov test, a significance value of 0.200> 0.05 is obtained. So the data is normally distributed.

b. Multicollinearity Test: The VIF value of the three independent variables is <10 and Tolerance> 0.1, so there is no multicollinearity.

c. Heteroscedasticity Test: The scatterplot graph shows a random distribution of points and does not form a certain pattern. The Glejser test shows a significance of> 0.05, so there are no symptoms of heteroscedasticity.

3. Multiple Linear Regression Analysis

Based on the results of the multiple linear regression analysis, the following equation is obtained:

Y = 5.215 + 0.482X1 + 0.376X2 + 0.290X3

Meaning:

a. If there is no influence from product quality, price, and promotion, then the consumer satisfaction value is at 5.215 (constant value).
b. Every 1 unit increase in product quality (X1) will increase consumer satisfaction (Y1) by 0.482, assuming other variables are constant.
c. Every 1 unit increase in price (X2) increases satisfaction by 0.376.
d. Every 1 unit increase in promotion (X3) increases satisfaction by 0.290.
4. t-Test (Partial)

Table 1. The Effect of Marketing Variables on Consumer Decisions

Variable	Counted	Sig (p)	Information
Product Quality	6,752	0,000	Have a significant impact
Price	4,981	0,000	Have a significant impact
Promotion	3,245	0,002	Have a significant impact

All independent variables have a significance value below 0.05, so each variable has a significant effect on consumer satisfaction partially.
5. F Test (Simultaneous)
The results of the F test show a calculated F value of 37.294 with a significance value of 0.000. Because the significance value is <0.05, the variables of product quality, price, and promotion simultaneously have a significant effect on consumer satisfaction.
6. Determination Coefficient (R^2)
The R^2 value obtained is 0.683, which means that 68.3% of the variation in consumer satisfaction can be explained by the variables of product quality, price, and promotion together. The remaining 31.7% is explained by other variables not examined in this study.

Discussion
The results of the study show that the three independent variables have a positive and significant influence on consumer satisfaction. This shows that in the context of marketing a particular product, quality, price, and promotion are key factors that greatly determine whether consumers are satisfied or not with the products they buy. First, product quality (X1) is the variable that has the greatest influence on consumer satisfaction. This finding is in accordance with the opinion of Kotler & Keller (2016) who stated that quality is the ability of a product to meet or exceed consumer expectations. If the product is of good quality—in terms of durability, design, and function—consumers tend to be satisfied and even make repeat purchases. Second, price (X2) also has a significant influence on satisfaction. This supports the opinion of Tjiptono (2015) that consumer perception of price is not only about cheapness, but how appropriate the price is compared to the benefits or quality they get. When consumers feel that the price they pay is commensurate with the benefits, they tend to be satisfied. Third, promotion (X3) has also been shown to have an influence on consumer satisfaction. Attractive, consistent, and targeted promotions can strengthen brand image and increase consumer interest. As stated by Daryanto (2013), good promotion not only introduces products but also creates two-way communication that can strengthen the emotional relationship between consumers and companies. Simultaneously, the three variables explain more than half of the variation in consumer satisfaction (R^2 = 68.3%), which means that companies can manage consumer satisfaction by paying attention to these three aspects simultaneously. Companies that focus on improving product quality, setting competitive prices, and conducting effective promotions can build long-term consumer satisfaction and loyalty.

CONCLUSION AND SUGGESTIONS

Based on the results of the research that has been conducted, it can be concluded that the variables of product quality, price, and promotion partially or simultaneously have a significant effect on consumer satisfaction. Product quality is the variable that has the most dominant influence, followed by price and promotion. This shows that consumers really consider the quality of the products used in determining their satisfaction.

Prices that are in accordance with the benefits of the product also provide a positive contribution to the level of satisfaction, while effective promotions can attract consumers' attention and strengthen the image of the product in their minds. The three variables together are able to explain the variation in consumer satisfaction by 68.3%, which means that companies can increase customer satisfaction by managing all three optimally. Thus, companies are advised to continue to improve the quality of their products, set competitive and reasonable prices, and carry out creative and targeted promotions in order to increase consumer satisfaction and loyalty.

Suggestions

Based on the results of this research, several recommendations can be proposed for companies or business owners to enhance consumer satisfaction:

1. Improve Product Quality
   Companies should continuously innovate and maintain the quality of their products in terms of durability, design, functionality, and appearance. A high-quality product not only meets customer expectations but also builds long-term trust and loyalty.
2. Establish Competitive and Reasonable Pricing
   It is important to set prices that reflect the value and benefits provided by the product. Transparent and fair pricing can enhance consumers' perceptions and increase their satisfaction with the purchasing decision.
3. Optimize Promotional Strategies
   Businesses are advised to implement creative and targeted promotional campaigns, including the use of digital platforms and social media, to attract consumer attention and improve product awareness.
4. Maintain Consistency in Service and Communication
   In addition to focusing on product attributes, consistent and clear communication with consumers should be maintained to strengthen relationships and encourage positive consumer experiences.

By paying close attention to these aspects, companies can improve overall consumer satisfaction and gain a competitive advantage in the market.

REFERENCES

Kholisoh, N., & Ali, H. (2020). Shaping Radical Attitudes: Mass Media and Government Policies Analysis (Case Study in High School Students of West Jakarta). *Talent Development & Excellence*.

Agussalim, M., & Ali, H. (2017). Model Kepuasan Pelanggan: Analisis Kualitas Produk Dan Kualitas Layanan Terhadap Citra Merek Pada Giant Citra Raya Jakarta. *Jurnal Manajemen*, *21*(3), 317-335.

Mansur, S., & Ali, H. (2017). Impact of customer engagement to reputation of the Bri Syariah Indonesia. *International Journal of Economic Research*, *14*(19), 425-431.

Kotler, P., & Keller, K. L. (2016). Marketing Management (15th ed.). Pearson Education Limited.

Tjiptono, F. (2015). Strategi Pemasaran (4th ed.). Yogyakarta: Andi.

Riyanto, S., Adila, L., & Ali, H. (2017). The Effect of Incentives And Job Enthusiasm To Productivity of Go-Jek Driver At PT. Go-Jek Indonesia. *Journal of Research in Business and Management*, *5*(1), 35-41.

Masruri, M., Ali, H., & Rosadi, K. I. (2021). Pengelolaan Keuangan Dalam Mempertahankan Kualitas Pondok Pesantren Selama Pandemi Covid-19. *Jurnal Ilmu Manajemen Terapan*, *2*(5), 644-657.

Daryanto. (2013). Sari Kuliah Manajemen Pemasaran. Bandung: CV. Yrama Widya.

Sugiyono. (2019). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: Alfabeta.

Ghozali, I. (2018). Aplikasi Analisis Multivariate dengan Program IBM SPSS 25. Semarang: Badan Penerbit Universitas Diponegoro.

Nunnally, J.C. (1994). Psychometric Theory (3rd ed.). McGraw-Hill.

Ferdinand, A. (2014). Metode Penelitian Manajemen: Pedoman Penelitian untuk Penulisan Skripsi, Tesis, dan Disertasi Ilmu Manajemen. Semarang: Badan Penerbit Universitas Diponegoro.