

Analysis of Promotion, Discount, Price, Service Quality and Value Perception on Customer Loyalty Mediated by Consumer Satisfaction at PT Sami Jaya

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Article Info	ABSTRACT
Keywords: Promotion, Discount, Price, Service Quality, Perceived Value, Consumer Loyalty, Consumer Satisfaction.	The purpose of this study was to determine the analysis of Promotion (X1), Discount (X2), Price (X3), Service Quality (X4) and Perception of Value (X5) on Customer Loyalty (Y) Mediated by Consumer Satisfaction (X) at PT Sami Jaya. The number of samples in this study was 245 respondents. The results of this study indicate that the variables of promotion (X1), price (X2), service quality (X4), and perception of value (X5) on customer loyalty (Y) have a positive and significant influence. While the price variable (X3) has a negative and insignificant effect. The variables of promotion, (x1) discount (X2), and price (X3) on consumer satisfaction (Z) have a positive and significant effect. While service quality and perception of value have a positive and significant effect on consumer satisfaction (Z).

INTRODUCTION

Nowadays, many consumers complain about being dissatisfied when shopping in stores. The reasons are very diverse, for example: lack of customer service, very expensive prices, no discounts and no communication between consumers and customers resulting in consumers not knowing about discounts. PT Sami Jaya, as a company engaged in a particular sector, is faced with the challenge of understanding and influencing factors that can increase customer loyalty. This study aims to analyze how elements of promotion, discounts, prices, service quality, and perceived value affect customer loyalty with consumer satisfaction as a mediating variable.

Customer satisfaction plays an important role as a mediator in the relationship between the above elements and customer loyalty. High satisfaction will increase the likelihood of customers to make repeat purchases and maintain long-term relationships with the company. Conversely, dissatisfaction can affect customers' decisions to switch to competitors. Therefore, understanding the factors that influence satisfaction is essential to building sustainable customer loyalty.

Consumers are people who get goods and services used for certain purposes. Customer satisfaction is one of the main keys to maintaining the sustainability and success of a business. Satisfied customers tend to come back and recommend your business to others. Customer loyalty is a deeply held commitment to repurchase or support a product or service that is liked in the future, even though the influence of the situation and marketing efforts have the potential to cause customers to switch (Kotler & Keller, 2016, p. 138). When consumers get satisfaction, consumers will easily show loyalty by returning to the store. Especially if the store offers several products with promotional discounts or promotions have different meanings in the world of marketing.

Therefore, understanding the factors that influence satisfaction is very important to build sustainable customer loyalty. From these problems, research will be conducted. This research was conducted to determine "The Effect of Promotion, Discount, Price, Service Quality and Value Perception on Customer Loyalty Mediated by Consumer Satisfaction at PT Sami Jaya".

RESEARCH METHODS

This research was conducted at PT Sami Jaya, the type of research used is quantitative research with a sample of 235 respondents who are customers of PT Sami Jaya. The method used to analyze is SEM (Structural Equation Modeling).

RESULTS AND DISCUSSION

Validity and Reliability Test

The indicator can be said to meet convergent validity if the cross loading value is > 0.70 as well as the validity level. While the Average Variance Extracted (AVE) value is > 0.50 . Muhtarom, Abid, et al (2022). Composite reliability can also be said to be an indicator that assesses variables with a reliable value ≥ 0.70 although this is not included in the absolute standard. Muhtarom, Abid, et al (2022).

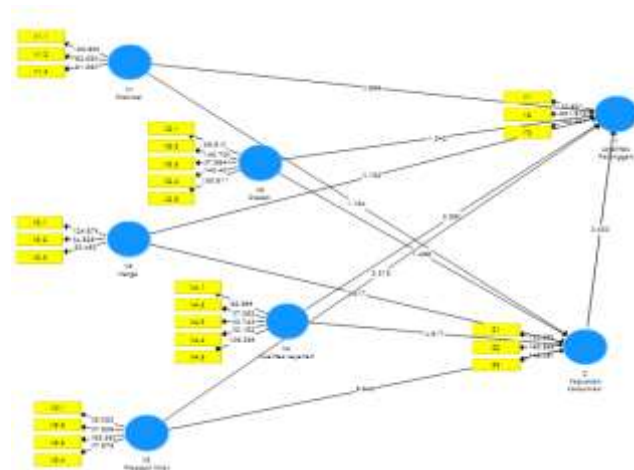
Table 1 Results of Validity and Reliability Tests

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Promotion (X1)	0.925	0.952	0.869
Discount (X2)	0.963	0.971	0.871
Price (X3)	0.939	0.961	0.892
Quality of Service (X4)	0.953	0.964	0.841
Value Perception (X5)	0.953	0.966	0.876
Customer Loyalty (Y)	0.915	0.947	0.857
Consumer Satisfaction (Z)	0.953	0.970	0.915

The results of the validity and reliability tests show that the analysis variables of promotion (X1), discount (X2), price (X3), service quality (X4), perceived value (X5), consumer satisfaction (Z), and customer loyalty (Y) are declared valid and reliable with the value of each variable > 0.7 .

Structural Model (Inner Model)

According to Ghozali (2015) in Andini, Aprilia, et al (2020) the structural model or inner model is a model that aims to find out the causal relationship between Latin variables. In this model, the collinearity of data between variables can be known which can be used as a test of SEM requirements.



Picture 1 Structural Model

R-Square

The R-Square value is the coefficient of determination of the endogenous structure used for observation to easily obtain solutions and solutions. According to Ghazali, Imam (2006) in Muhtarom, Abid, et al (2022), an R-Square value of 0.67 is said to be strong, 0.33 is said to be moderate and 0.19 is said to be weak.

Table 2 R Square

	<i>R Square</i>	<i>R Square Adjusted</i>
Customer Loyalty (Y)	0.836	0.832
Consumer Satisfaction (Z)	0.915	0.913

Judging from the R-Square test table above, it shows that the variables Promotion (X1), Discount (X2), Price (X3), Service Quality (X4), Perception of Value (X5) towards Consumer Loyalty (Y) are 0.836, so it can be said that the values are mutually compatible. The Adjusted R-Square value is 0.832, the variables Promotion (X1), Discount (X2), Price (X3), Service Quality (X4), Perception of Value (X5) towards Consumer Satisfaction (Z) are 0.915 so it can be said that the values are mutually compatible. The Adjusted R-Square value is 0.913, so it can be said that it is strong.

Table 3 Path Coefficient Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Promotion (X1) -> Customer Loyalty (Y)	0.179	0.180	0.061	2,919	0.004
Promotion (X1) -> Consumer Satisfaction (Z)	-0.053	-0.052	0.047	1.140	0.255
Discount (X2) -> Customer Loyalty (Y)	0.159	0.162	0.121	1,306	0.192
Discount (X2) -> Consumer Satisfaction (Z)	0.113	0.115	0.077	1,470	0.142

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Price (X3)-> Customer Loyalty (Y)	-0.213	-0.208	0.069	3,069	0.002
Price (X3) -> Consumer Satisfaction (Z)	-0.019	-0.016	0.048	0.387	0.699
Service Quality (X4) -> Customer Loyalty (Y)	0.312	0.312	0.096	3.251	0.001
Service Quality (X4) -> Consumer Satisfaction (Z)	0.322	0.323	0.072	4.450	0.000
Perceived Value (X5) -> Customer Loyalty (Y)	0.445	0.434	0.137	3.243	0.001
Perception of Value (X5) -> Consumer Satisfaction (Z)	0.605	0.598	0.069	8,748	0.000
Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.056	0.062	0.135	0.417	0.677

Mediation Test

This hypothesis test is done by looking at the T-statistic and P value. This hypothesis can be accepted if the P value <0.05. in this study there is a direct and indirect influence because there are exogenous, endogenous and mediating variables in the PLS program, the results of this hypothesis test can be seen in the Path Coefficient in the Bootstrapping technique.

Table 4 Specific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Promotion (X1) -> Consumer Satisfaction (Z) -> Customer Loyalty (Y)	-0.003	-0.002	0.009	0.318	0.751
Discount (X2) -> Customer Satisfaction (Z) ->	0.006	0.008	0.020	0.322	0.747

Customer Loyalty (Y)					
Price (X3) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	-0.001	-0.003	0.008	0.131	0.896
Service Quality (X4) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.018	0.018	0.044	0.415	0.678
Perception of Value (X5) -> Consumer Satisfaction (Z) -> Customer Loyalty (Y)	0.034	0.039	0.082	0.413	0.680

DISCUSSION

Hypothesis 1: The Effect of Promotion on Customer Loyalty

The promotion variable on customer loyalty shows that the Coefficient value is $0.179 > 0.000$ with T-statistic $> T\text{-table}$ ($2.919 > 1.970$) and P-value $0.004 < 0.05$, then H_0 is rejected and H_{a1} is accepted, meaning that there is a positive and significant influence. The results of this study are supported by previous studies conducted by Septiani (2020) and Novla (2021).

Hypothesis 2: The Effect of Discounts on Customer Loyalty

The discount variable on customer loyalty shows that the Coefficient value is $0.159 > 0.000$ with T-statistic $< T\text{-table}$ ($1.306 < 1.970$) and P-value $0.192 > 0.05$, then H_0 is rejected and H_{a2} is rejected, meaning that there is a negative and insignificant influence. These results are not supported by previous research conducted by Aryatiningrum and Insyirah (2020).

Hypothesis 3: The Effect of Price on Customer Loyalty

The price variable on customer loyalty shows that the coefficient value is $-0.213 < 0.000$ with T-statistic $> T\text{-table}$ ($3.069 > 1.970$) and P-value $0.002 < 0.05$, then H_0 is rejected and H_{a3} is accepted, meaning that there is a positive and significant influence. This result is not supported by previous research conducted by Septiani (2020) & Kurniawan, (2023). However, Anggraini and Budiarti's (2020) research showed positive and significant results.

Hypothesis 4: The Effect of Service Quality on Customer Loyalty

The variable of service quality on customer loyalty shows that the coefficient value is $-0.312 > 0.000$ with T-statistic $> T\text{-table}$ ($3.251 > 1.970$) and P-value $0.001 < 0.05$, then H_0 is rejected and H_{a4} is accepted, meaning that there is a significant positive influence. These results are supported by previous research conducted by Rahayu (2022) and Nurdiansyah (2024). However, Pradana's research (2018) showed negative and insignificant results.

Hypothesis 5: The Effect of Perceived Value on Customer Loyalty

In the variable of perception of value towards customer loyalty, it shows that the Coefficient value is $0.445 < 0.000$ with T-statistic $> T\text{-table}$ ($3.243 < 1.970$) and P-value $0.001 < 0.05$, then H_0 is rejected and H_{a5} is accepted, meaning that there is a positive and significant influence. This result is not supported

by previous research conducted by Setiawan (2017). However, in Vicramaditya's research (2021), the results showed a positive and significant effect.

Hypothesis 6: The Effect of Promotion on Consumer Satisfaction

The promotion variable on consumer satisfaction shows that the coefficient value is $-0.053 < 0.000$ with T-statistic $< T\text{-table}$ ($1.140 < 1.969$) and P-value $0.255 > 0.05$, then H_0 is rejected and H_{a6} is rejected, meaning that there is a negative and insignificant influence. The results of this study are not supported by previous research conducted by Septiani (2020). However, it is supported by research by Vicramaditya (2021), which shows positive and significant results.

Hypothesis 7: The Effect of Discounts on Consumer Satisfaction

The discount variable on consumer satisfaction shows that the coefficient value is $0.113 > 0.000$ with T-statistic $< T\text{-table}$ ($1.470 < 1.970$) and P-value $0.142 > 0.05$, then H_0 is rejected and H_{a7} is rejected, meaning that there is a negative and insignificant influence. These results are not supported by previous research conducted by Ermida, et al (2021).

Hypothesis 8: The Effect of Price on Consumer Satisfaction

The price variable on consumer satisfaction shows that the coefficient value is $-0.019 > 0.000$ with T-statistic $< T\text{-table}$ ($0.387 < 1.969$) and P-value $0.699 > 0.05$, then H_0 is rejected and H_{a8} is rejected, meaning that there is a negative and insignificant influence. These results are supported by previous research conducted by Kurniawan (2023).

Hypothesis 9: The Effect of Service Quality on Consumer Satisfaction

The variable of service quality on customer satisfaction shows that the coefficient value is $0.312 > 0.000$ with T-statistic $> T\text{-table}$ ($4.450 > 1.969$) and P-value $0.000 < 0.05$, then H_0 is rejected and H_{a9} is accepted, meaning that there is a positive and significant influence. These results are not supported by previous research conducted by Kurniawan (2023); Rahayu (2022), and Nurdiansyah, (2024)

Hypothesis 10: The Influence of Value Perception on Consumer Satisfaction

In the apperception value variable on consumer satisfaction, it shows that the Coefficient value is $0.605 > 0.000$ with T-statistic $> T\text{-table}$ ($8.748 > 1.970$) and P-value $0.000 < 0.05$, then H_0 is rejected and H_{a10} is accepted, meaning that there is a significant positive influence. These results are not supported by previous research conducted by Rosyidi, Moh. Arief Zadana, et al (2023).

Hypothesis 11: The Effect of Customer Loyalty on Consumer Satisfaction

In the variable of consumer satisfaction towards customer loyalty, it shows that the Coefficient value is $0.056 > 0.000$ with T-statistic $< T\text{-table}$ ($0.417 > 1.970$) and P-value $0.677 > 0.05$, then H_0 is rejected and H_{a11} is rejected, meaning that there is a negative and insignificant influence. The results of this study are not supported by previous research conducted by Nurdiansyah (2024).

CONCLUSION

On the variables of promotion, price, service quality, and perceived value on customer loyalty there is a positive and significant influence. While the price variable has a negative and insignificant influence. The variables of promotion, discount, and price on consumer satisfaction have a positive and significant influence. While service quality and perceived value have a positive and significant influence.

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