

## **The Effect Of Product Quality And Brand Image On Customer Loyalty Through Consumer Satisfaction Of Nelongso Chicken Restaurant Jember Branch**

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### **Abstract**

This study aims to determine the partial and simultaneous effect of the variable product quality and brand image on consumer loyalty through customer satisfaction at Nelongso Chicken Restaurant, Jember Branch. The data used in this study are primary data in the form of data from questionnaires and secondary data in the form of profiles from Nelongso Chicken Restaurant, Jember Branch. The data processing method in this study uses the Research Indicator Test Analysis method, namely Validity Test and Reliability Test, Classical Assumption Test, namely Normality Test, Multicollinearity Test and Heteroscedasticity Test, Path Analysis (Path Analysis) and Hypothesis Testing, namely t-test, with the help of SPSS analysis tools 25. The results showed that the product quality variable had a significant and positive direct effect on Consumer Satisfaction at Nelongso Chicken Restaurant, Jember Branch, the Brand Image variable directly had a significant and positive effect on Consumer Satisfaction at Nelongso Chicken Restaurant, Jember Branch, the Product Quality variable directly had a significant and positive effect on Consumer Loyalty of Nelongso Chicken Restaurant, Jember Branch, Brand Image variable directly has a significant and positive effect on Consumer Loyalty of Nelongso Chicken Restaurant Jember Branch, Consumer Satisfaction variable directly has a significant and positive effect on Consumer Loyalty of Nelongso Chicken Restaurant Jember Branch, Product Quality variable through customer satisfaction Indirectly Affects significantly and positively to consumer loyalty Nelongso Chicken Restaurant Jember Branch and Brand Image variables through consumer satisfaction indirectly affect spirit significantly and positively to the Customer Loyalty of the Nelongso Chicken Restaurant Jember Branch.

**Keywords:** Product Quality, Brand Image, Consumer Loyalty, Consumer Satisfaction.

### **INTRODUCTION**

In the current era of globalization, there are many advances and changes that occur in the modern business world. The changes that occur are marked by the mindset of a developing society, technological advances, and lifestyles that cannot be separated from the influence of

globalization. With these advances and changes, it indirectly requires us to be able to balance it in everyday life.

The influence of the times is that a lot of goods and services have emerged that offer various advantages and uniqueness of each of these products and services. This makes consumers have many alternative choices in using goods and services offered by producers.

According to Kotler and Armstrong (2008:272) product quality is a product characteristic that depends on its ability to satisfy stated or implemented consumer needs. Improving product quality is very important, thus the company's products are getting higher and higher quality.

Brand image according to Kotler (2006:266) is a vision and belief that is hidden in the minds of consumers, as a reflection of associations that are held in consumers' memories.

Understanding customer loyalty, According to Rangkuti, Freddy (2002:60), "Consumer loyalty is consumer loyalty to companies, brands and products. Customer satisfaction is the feeling of pleasure felt by the customer before and after getting a service or product and the customer finds the expectations obtained before or after visiting.

## **RESEARCH METHODS**

### **Overview of Research Objects**

This research was conducted at Nelongso Chicken Restaurant, Jember branch which is located on Jl. Mastrip (Ruko Mastrip Square), Summersari. Nelongso Fried Chicken was established in February 2013, the price of 1 portion of this chicken is Rp. 5,000, - with the composition of each menu (wings + claws) because this menu is the identity or characteristic of Nelongso Fried Chicken. Nelongso chicken has a variety of menu variants, ranging from fried, grilled, or crispy chicken including rice and chili sauce. Here not only sell chicken, but also duck for consumers who don't like chicken. This Nelongso chicken restaurant has 8 branch outlets in Malang, 4 Surabaya branch outlets, 2 Jember branch outlets, and 1 outlet in Sidoarjo

### **Population**

Population is a description of an element that is formed by events, things, or people who have similar characteristics that become the center of attention of a researcher because it is

seen as a research universe (Ferdinand (2006: 142). In this study, the population is the consumers of Nelongso Chicken restaurant in Jember Regency.

### **Sample**

In this study, respondents were recruited using a non-probability sampling method, where not all members who entered the population had the same opportunity to be selected as members of the sample. The non-probability sampling method used in this study is purposive sampling, namely the technique of determining the sample with certain considerations (Sugiyono 2011:68). As for certain criteria (purposive) sampling based on the following considerations:

1. Respondents who have purchased and used products from Nelongso Chicken restaurant at least 1 time and consumers are willing to provide information about Nelongso Chicken Jember Branch to consumers who have never visited Nelongso Chicken Jember restaurant. It is hoped that with the determination of respondents who buy into the Ayam Nelongso restaurant, Jember Branch, they will have the same perception of satisfaction and loyalty.
2. Respondents are at least 17 years old and above or under 17 years old provided that they are married. because at times wipe rang , at the age of respondents already understand, can respond, and can make decisions in fill in the answers to each question on the questionnaire given.

### **Variable Identification**

Variable identification is an action that aims to try to find some basic factors that may underlie and reveal the relationship between most of the variables. The variables analyzed in this study are:

#### **a. Endogenous variables**

The endogenous variables in this study are product quality and brand image.

#### **b. Intervening Variables**

The intervening variable in this study is consumer satisfaction.

#### **c. Exogenous Variable**

The exogenous variable in this research method is consumer loyalty.

### **Variable Operational Definition**

Product quality is an attempt to meet or exceed customer expectations, where the product has a quality that has been determined by the company and quality is an ever-changing condition

because consumer tastes or expectations for a product always change at a certain time. Variables that represent the dimensions of product quality variables in the form of

1. Durability (power t Ahan)
2. Conformance to specifications ( conformity to specifications)
3. Features (features)
4. Aesthetics (aesthetics)
5. Serviceability

Brand image is a picture of a brand or product that is perceived by consumers of a company. Indicators of this variable include

1. Packaging design
2. Logo
3. Brand name
4. Trust

Satisfaction is a person's level of feeling happy or disappointed that comes from his impression of the performance and services of a company. Measurement of customer satisfaction is divided into several indicators, namely:

1. There are no complaints about the products at the Ayam Nelongso restaurant, Jember Branch
2. The feeling of satisfaction of consumers about the overall product at the Ayam Nelongso restaurant, Jember Branch
3. The suitability of the Jember Branch Chicken Nelongso restaurant product with consumer expectations

Customer Loyalty is a customer's behavioral intention that is expressed in a long time to keep choosing a product/service. Customer loyalty is measured by several indicators, namely:

1. Willingness to use a product and enjoy services continuously, meaning the ability to purchase Chicken Nelongso Jember products
2. Recommending products or the quality of services offered, meaning inviting friends to buy Chicken Nelongso products, Jember Branch.
3. Loyalty, meaning availability to re-purchase Chicken Nelongso Jember Branch

### **Data Collection Method**

Questionnaire; Literature study; Interview

## Data Analysis Method

1. Test Instrument Data
  - a. Validity test
  - b. Reliability Test
2. Classic assumption test
  - a. Normality test
  - b. Heteroscedasticity Test
  - c. Multicollinearity Test
3. Hypothesis Test (t test)
4. Path Analysis ( Path Analysis)
5. Sobel Test

## RESULT AND DISCUSSION

### Research Result

#### 1. Test Instrument Data

##### a. Validity test

Based on the results of the validity test, it can be seen that the results of the validity test show that all statements used in this research questionnaire are valid and can be used as research data instruments.

##### b. Reliability Test

Based on the results of the reliability test, *Cronbach's alpha* value is above 0.60 and the value is relatively consistent, so it can be interpreted that the instrument used in this study is reliable.

#### 2. Classic assumption test

##### a. Normality test

Based on the results of the normality test, it shows that the *asymptotic sig* value or significant value is 0.139 which is greater than 0.05, so it can be interpreted that the data in this study is normally distributed.

##### b. Heteroscedasticity Test

Based on the results of the reliability test, the *alpha* value is above 0.60 and the value is relatively consistent, so it can be interpreted that the instrument used in this study is reliable.

### c. **Multicollinearity Test**

Based on the results of the multicollinearity test, it shows that all variables have a VIF value  $< 10$  and a tolerance  $> 0.10$ . It can be said that all the variables in this study did not occur multicollinearity.

## 3. **T test**

### **Product Quality (X1) on the Consumer Satisfaction variable (Y)**

Results of t test analysis showed that  $t_{hitung}$  on Product Quality variable (X1) of 2,856 and sig of 0,005 This shows that  $t_{hitung} > t_{table}$  and  $sig < 0.05$ , then  $H_0$  is rejected and  $H_a$  accepted, meaning that there is influence linear between the independent variable and the dependent variable, so that the Product Quality variable (X1) partially has a significant effect on Consumer Satisfaction at Nelongso Chicken Restaurant, Jember Branch.

### **Brand Image (X2) on the Consumer Satisfaction variable (Y)**

The results of the t-test analysis show that  $t_{count}$  on the Brand Image (X2) variable is 3.747 and sig is 000. This shows that  $t_{count} > t_{table}$  and  $sig < 0.05$ , then  $H_0$  is rejected and  $H_a$  is accepted, meaning that there is a linear influence between the independent variable and the dependent variable, so that the Brand Image (X2) variable partially has a significant effect on Consumer Satisfaction at Nelongso Chicken Restaurant Jember Branch.

## 4. **Path Analyst**

### a. **Model 1**

Referring to the regression output of model 1 in the table coefficients section, it can be seen that the significance value of the two variables, namely  $X_1 = 0.005$  and  $X_2 = 0.000$  is smaller than 0.05. These results conclude that the regression model 1, namely variables  $X_1$  and  $X_2$  have a significant effect on Y. The value of  $R^2$  or R square contained in the model summary table is 0.496, this shows that the contribution or contribution of  $X_1$  and  $X_2$  to Y is equal to

49.6% -100% while the remaining 50.4% is a contribution from other variables not included in the study. Meanwhile, for the value of e1 can be searched  $(1-0.496) = 0.7099$

### b. Model 2

Based on the output of the regression model II in the table coefficients section, it is known that the significance value of the three variables, namely  $X1 = 0.000$ ,  $X2 = 0.001$  and  $Y = 0.012$  has a significant effect on Z. The value of R2 or R Square contained in the summary model table is 0.697 points. This shows that the contribution of X1, X2 and Y to Z is 69.7% - 100% while the remaining 30.3% is a contribution from other variables not examined. Meanwhile for the value of e2 =  $(1-0.697) = 0.5504$

## 5. Sobel Test

### a. X1 . Variable Sobel Test Calculation

Known: (From the Coefficient table):

$$a = 0.196 \text{ (unstandardized value X1 to Z)} = a^2 = 0.277$$

$$b = 0.286 \text{ (unstandardized value Z to Y)} = b^2 = 0.404$$

$$sa = 0.038 \text{ (standard error value X1 to Z)} = sa^2 = 0.053$$

$$sb = 0.110 \text{ (standard error value Z to Y)} = sb^2 = 0.155$$

$$Sab = \sqrt{b^2 sa^2 + a^2 sb^2 + sa^2 sb^2}$$

$$Sab = \sqrt{(0,404)(0,053) + (0,277)(0,155) + (0,053)(0,155)}$$

$$Sab = \sqrt{(0,021) + (0,042) + (0,009)}$$

$$Sab = \sqrt{0,072}$$

$$Sab = 0,2683$$

Calculation of indirect effect by comparison of t\_count and t\_table

$$t = \frac{ab}{sab}$$

$$t = \frac{0,277 \times 0,404}{0,2683}$$

$$t=0.4171$$

It is known that  $t_{table} = 1,98498$  (df nk), it can be concluded that  $t_{hitung} < t_{tabel}$  means that product quality (X1) has no effect on customer loyalty (Y) through consumer satisfaction (Z), or in other words Z cannot mediate X1.

#### b. Calculation of the X2 . Variable Sobel Test

Known: (From *Coefficient* table ):

$$a=0.345 \text{ (unstandardized value X2 to Z) } = a^2 = 0.487$$

$$b=0.286 \text{ (unstandardized value Z to Y) } = b^2 = 0.404$$

$$sa=0.076 \text{ (standard error value X2 to Z) } = sa^2 = 0.107$$

$$sb=0.110 \text{ (standard error value Z to Y) } = sb^2 = 0.155$$

$$Sab = \sqrt{b^2 sa^2 + a^2 sb^2 + sa^2 sb^2}$$

$$Sab = \sqrt{(0,404)(0,107) + (0,487)(0,155) + (0,107)(0,155)}$$

$$Sab = \sqrt{(0,043) + (0,075) + (0,016)}$$

$$Sab = \sqrt{0,134}$$

$$Sab = 0,3660$$

Calculation of indirect effect by comparison of  $t_{count}$  and  $t_{table}$

$$t = \frac{ab}{sab}$$

$$t = \frac{0,487 \times 0,404}{0,3660}$$

$$t=0.5375$$

It is known that  $t_{table} = 1,98498$  (df nk), it can be concluded that  $t_{hitung} < t_{tabel}$  means that brand image (X2) has no effect on customer loyalty (Y) through consumer satisfaction (Z), or in other words Z cannot mediate X2.

### Discussion

#### A. Effect of product quality on consumer satisfaction



Results analysis Path the first hypothesis ( $H_1$ ) indicates that the quality of products directly influence consumer satisfaction means that the higher the quality of the product then customer satisfaction will be increased ( $H_1$  accepted). Product quality has a significant effect on customer satisfaction. Factors that cause product quality can have a significant effect on consumer satisfaction because product quality is how a product is able to meet consumer expectations, it will affect consumer satisfaction. A quality product will increase the consumer's desire to buy a product.

### **B. Brand Image Influence on consumer satisfaction**

The results of Path analysis on the second hypothesis ( $H_2$ ) show that Brand Image has a direct effect on Consumer Satisfaction, meaning that the higher the Brand Image, the greater the Consumer Satisfaction ( $H_2$  is accepted). brand image has a significant effect on customer satisfaction. Factors that cause brand image have a significant effect on consumer satisfaction because through brand image consumers can recognize products and quality, reduce purchase risk and experience certain experiences and get certain satisfaction from a product. Consumers who are accustomed to using brands tend to have consistency in brand image.

### **C. Effect of Product Quality on Consumer Loyalty**

Results analysis path to the third hypothesis ( $H_3$ ) demonstrate that the quality of the products be rpengaruh significantly to customer loyalty means higher quality product then customer loyalty will increase ( $H_3$  are accepted).

there is a significant effect of product quality on consumer loyalty . Factors that cause product quality have a significant effect on consumer loyalty because consumers will feel satisfied if their expectations and desires have been fulfilled in the product. This satisfaction will lead to trust in the product and the company that produces the product.

### **D. The Effect of Brand Image on Consumer Loyalty.**

Has il analysis of the path to the fourth hypothesis ( $H_4$ ) shows that the brand image berpengaruh significantly to customer loyalty means higher brand image of the customer loyalty will increase ( $H_4$  accepted).

there is a significant effect of brand image on consumer loyalty . Factors that cause brand image to have a significant effect on consumer loyalty because the brand image formed by the company gives a good perception to consumers, thus creating a high sense of loyalty to consumers. It is very profitable for a company that has a product with a brand that has a good

brand image in the eyes of consumers, so the company must strive to build a brand image continuously so that the brand becomes more chosen by consumers and they will be loyal to the brand.

#### **E. The Effect of Consumer Satisfaction on Consumer Loyalty**

Results analysis path to the fifth hypothesis ( $H_5$ ) shows that customer satisfaction significantly influences customer loyalty means higher customer satisfaction the customer loyalty will increase ( $H_5$  accepted).

there is a significant effect of consumer satisfaction on consumer loyalty. Factors that cause consumer satisfaction have a significant effect on consumer loyalty because the higher the satisfaction felt by consumers, the higher the level of consumer loyalty. Conversely, the lower the perceived consumer satisfaction, the lower the level of customer loyalty.

#### **F. Indirect effect of product quality on consumer loyalty through customer satisfaction**

The results of path analysis on the sixth hypothesis ( $H_6$ ) indicate that indirectly product quality through customer satisfaction does not have a significant effect on consumer loyalty. ( $H_6$  rejected) Satisfaction influences product quality to customer loyalty. Based on the results of the study, it can be concluded that indirectly product quality through customer satisfaction has a significant influence on customer loyalty. With the results of this study, it is expected that product quality must continue to increase so that consumer satisfaction and consumer loyalty are getting better.

#### **G. Indirect influence of brand image on consumer loyalty through customer satisfaction.**

The results of the path analysis on the seventh hypothesis ( $H_7$ ) indicate that indirectly brand image through customer satisfaction does not have a significant effect on consumer loyalty. ( $H_7$  rejected)

Satisfaction mediates the influence of brand image on consumer loyalty. Mediation that occurs in this research model is partial. That is, the satisfaction variable serves to bridge the influence of brand image on customer loyalty. However, because the mediation that occurs is partial, without satisfaction, brand image is still able to have a significant effect on consumer loyalty.

## **CONCLUSION**

Based on the general research discussion regarding "The Influence of Product Quality and Brand Image on Consumer Loyalty through Consumer Satisfaction of Nelongso Chicken Restaurant, Jember Branch" it can be concluded that

- 1) The effect of product quality on consumer satisfaction shows a significant relationship.
- 2) The effect of brand image on consumer satisfaction shows a significant relationship.
- 3) The effect of product quality on consumer loyalty shows a significant relationship
- 4) The influence of brand image on consumer loyalty shows significant results
- 5) The effect of consumer satisfaction on consumer loyalty shows a significant relationship.
- 6) The indirect effect of product quality on consumer loyalty through customer satisfaction does not show a significant relationship.
- 7) The indirect effect of brand image on consumer loyalty through customer satisfaction does not show a significant relationship.

Based on the analysis results obtained that product quality, brand image, and customer satisfaction have a significant effect on customer satisfaction and customer loyalty, therefore restaurants must maintain and improve the quality and brand image of their products because high quality and brand image will increase satisfaction and loyalty. consumer. The results of product quality and brand image do not affect consumer loyalty through consumer satisfaction, this proves that poor product quality and brand image will reduce consumer satisfaction, if not making improvements to product quality and brand image, consumers will look for other restaurants that better able to provide the expected product quality and brand image.

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