

The Influence of Product Quality, Prices, and Promotions on Customer Loyalty

UD. Setya Abadi D.M

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Abstract:

Purpose:

In today's competitive business era, maintaining customer loyalty is one of the critical factors for the long-term success of a company. This research aims to determine the impact of product quality, Price, and promotion on customer loyalty. This research was conducted at UD. Setya Abadi D.M in October 2023.

Methodology:

The method used is a quantitative study using primary data. Primary data was obtained from research participants through online Google forms and questionnaires. The population in this study were all buyers of UD. Setya Abadi D.M. This research uses 12 indicators, so the test estimate is 75-150. Based on these considerations, the test size for this research was set at 100 respondents.

Findings:

Based on the research conducted, the conclusion of this research states that product quality has a significant influence on customer loyalty. It means that the higher the quality of the product, the greater the consumer's loyalty to the product.

Implication:

Price has an essential impact on customer loyalty. It means that the higher the product price, the higher the consumer's dependence on that product. Promotion has an essential impact on customer loyalty. It means that the better the promotion, the higher the customer loyalty.

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INTRODUCTION

In today's competitive business era, maintaining customer loyalty is one of the critical factors for the long-term success of a company. In this context, the influence of product quality, Price, and promotion on customer loyalty is a critical topic to research. Product quality, Price, and promotion are the main elements in a marketing strategy that can influence customer perception and behavior.

Food companies are producing frozen products to meet all customer needs. Currently, frozen food products are one of the most common food products found among the wider community. Solid food is at least in a restaurant in terms of quality, taste, and variety.

In a restaurant, customers consider items essential and are used as a basis for making choices. In line with Margareta and Edwin (2012), "culinary quality plays an important role in buyers' purchasing choices. So be prepared to see that purchasing choices will improve as food quality improves." Quality goods are goods that are trustworthy and safe when used.

Price is an essential factor that determines whether consumers will buy or not. Based on Dapkevilius' research, Melnikas (2009) believes that price and product quality greatly influence customer satisfaction. Service businesses, especially those operating in the commercial sector, need to be sensitive to what needs to be done regarding consumer needs. Companies offer relatively affordable prices to attract consumers' attention because the prices must be appropriate and commensurate with the service quality (Private, 1994).

Apart from that, promotions can also influence customer perceptions about the brand or product. Creative and attractive promotions can increase customer awareness of a brand and strengthen their emotional

ties to it. Therefore, this research investigates the impact of product quality, Price, and promotion on customer loyalty. Using a better understanding of the correlation between these factors, companies can develop more effective marketing management techniques to maintain and increase the loyalty of their customers. This research will use various research methods, including customer surveys and questionnaires, to study the relationship between product quality, Price, promotion, and customer loyalty. This research will likely provide valuable insight for companies in developing effective marketing management techniques. More effective and sustainable, and improve the overall customer experience. Thus, this research can make a positive contribution to the development and growth of businesses in the future.

Theoretical Review, Product Quality. According to Kotler and Armstrong (2012), product quality means "the ability of a product to provide its benefits, including durability, reliability, accuracy, overall ease of use and repair, and its attributes have different values." together with other product features. Product quality from Mullins, Orville, Lar-Reche, and Boyd (2005) includes Performance, which refers to the essential operating characteristics of the product. Durability means how long the product lasts before needing to be replaced. Conformity using specifications, namely the extent to which the product meets specifications. Alternatively, there is no stigma found on the product. Features are product characteristics designed to increase product functionality or consumer interest. Reliability means a product's ability to perform satisfactorily or unsatisfactorily over a certain period. Beauty is related to the external appearance of a product. Perception Quality is often assumed to result from indirect measurements because consumers may need more information about the product.

Price. Price represents the value of something in the form of money that a person must spend as a sacrifice to obtain, own, or maintain a good or service. (Sumadji, 2006). Thus, for each product or service provided, the marketing department has the right to choose a base price that includes all costs related to production, distribution, and promotion.

Price is the only element in the marketing mix that can shape profits and losses for a company. Price impacts financial Performance and significantly impacts the value of brand positioning in customers' minds. Apart from that, Price is also a measure of product quality when customers have difficulty evaluating complex products. Factors that need to be considered when deciding on prices include costs, profits, competitive activity, and changes in market expectations. Determining prices involves at least six steps, namely choosing objectives. Pricing, determining needs, estimating costs, analyzing costs, prices, and competitors' offers, determining pricing methods, and choosing final prices (Kotler & Keller, 2007).

Determining product prices or costs must be careful because inappropriate costs will prevent customers from using the product. Therefore, determining prices or costs must be considered carefully. In this case, there are several bases for determining prices or costs, especially costs and competition (Gate, 2001). The Price of a good or service determines market demand. Price can also influence the marketing program of a company or organization. Therefore, Price is the only marketing mix that can form profits for the company.

Promotion. Promotion is a set of special tools, most of which have a short-term impact, created to stimulate consumers or sellers to buy exclusive products or services more quickly and in large quantities. Promotion is a variety of ways to inform, persuade, and remind consumers, whether exclusive or not. Exclusive, about a product or brand being sold.

Sales promotions are short-term bonuses designed to encourage the trial or use of a product or service. Marketers can target sales promotions at businesses and end consumers. Like advertising, promotions come in various forms, although advertising often conveys a reason for consumers to buy. Buy, the promoter encourages consumers to buy. Therefore, sales promotions are designed to change business behavior so customers actively use and support the brand. Change consumer behavior so they buy the brand for the first time, buy more of it, or buy it more quickly or often. Promotion means a form of communication between the seller and the consumer so that the buyer gets to know the product being sold by the producer and continues to remember it in the future. Advertising can be done in many ways, for example, by producing advertisements using all forms of existing media.

Consumer Loyalty. Consumer loyalty is the primary marketing source and marketers' real goal. Loyalty can convey insight into whether consumers will switch to other products. In tight competition with the increasing availability of substitute products, consumer loyalty to an exclusive brand weakens due to too many attractive offers. Switch to another brand. For marketers, consumer loyalty can be a measure of business

continuity. By having loyal consumers, the company is confident that its products will continue to be purchased and the business will run smoothly. Loyal consumers will not switch to another brand even if they benefit from more attractive offers. According to Tjiptono (2000), loyalty is when consumers have positive behavior towards a product or manufacturer (service provider) and are accompanied by repeated and consistent purchasing patterns.

From the definition above, loyalty means a positive consumer attitude towards a product or service accompanied by repeated and consistent purchasing attitudes, as a result of which the consumer or self recommends the company's product or service to others. Loyal consumers are a precious asset for a business; assessing whether consumers are loyal is essential. According to Dick and Basu (2000), there are many types of consumer loyalty, including:

- 1) No Loyalty. If both consumer and purchasing behavior are weak, loyalty will not be formed. There are two causes: weak (almost neutral) behavior can occur when a new product/service is introduced or when the company cannot communicate the unique benefits of its product. The second reason is related to market dynamics, where well-known brands are also prepared using the same method.
- 2) Spurious Loyalty. If relatively weak behavior is accompanied by a strong repeat purchase attitude, this means false loyalty. For example, a situation like this is characterized by the influence of non-behavioral factors on behavior. This situation can also be seen as inertia, namely the difficulty of consumers distinguishing between various brands in product categories with low involvement. So, repeat purchases are made according to situational considerations, such as familiarity (strategic placement of products on display or location of the store at a busy intersection, casting, or discount point.
- 3) Latent Loyalty: Latent loyalty is reflected when a weak redemption pattern accompanies a strong attitude. This situation is of great concern to marketers because the impact of 12 non-behavioral factors is as strong or tends to be stronger than behavioral factors in determining repeat purchases.
- 4) Loyalty. This situation is an ideal situation needed by most marketers, where consumers have positive behavior towards the product or producer (service provider) and are accompanied by repeated and consistent purchases.

METHODS

Type of Research. A quantitative study using primary data will be carried out in this research. Primary data was obtained from research participants through online Google forms and questionnaires. The Likert scale is used to assess respondents' answers to the list of questions organized in the questionnaire. The sample size for this study, which used 12 indicators, ranged from 75 to 150. The sample size for this study was set at 100 respondents who purchased Mas Brow products at UD. Setya Abadi D.M. Tambaksari District, Surabaya, based on these factors. Sampling strategies were used in this study, including primary random sampling and probability sampling. Table 1 displays the attributes of each respondent.

Table 1. Characteristics of Respondents

| Information | Amount | % |
|----------------------------|--------|------|
| Age | | |
| 15 – 20 | 13 | 13% |
| 21 – 30 | 60 | 60% |
| 31 - 40 | 23 | 23% |
| 41 – 50 | 3 | 3% |
| >50 | 1 | 1% |
| Total | 100 | 100% |
| Work | | |
| Student | 16 | 16% |
| Housewife | 4 | 4% |
| Employees (Public/Private) | 24 | 24% |
| Businessman | 56 | 56% |

| | | |
|--------------------------|-----|------|
| Total | 100 | 100% |
| Education | | |
| Junior High School | 3 | 3% |
| SMK/SMA | 57 | 57% |
| D3 | 27 | 27% |
| S1/S2/S3 | 13 | 13% |
| Total | 100 | 100% |
| Product Knowledge Source | | |
| Social media | 60 | 60% |
| Friends/Family | 28 | 28% |
| Nearest Outlet | 12 | 12% |
| Total | 100 | 100% |

Based on Table 1, almost 60% of respondents were between 21 and 30 years old. Based on work experience, more than 56% of respondents were identified as working as female entrepreneurs. In particular, 57% of respondents who claimed to have used vocational/high school education were the respondents who most often took part in this research. According to respondents, 60% of their knowledge of the Mas Brow brand comes from social media (Instagram, TikTok, website), while the least amount of knowledge comes from direct sales, which is 12% of the total.

This research includes eight independent variables and one dependent variable with operational definitions. The collected data was then subjected to validation, reliability, and classical assumption tests: 1) normality, 2) multicollinearity, and 3) heteroscedasticity. Next, regression analysis was carried out using a graphical regression model using SPSS for Windows software. As an example of multiple linear regression in this research, pay attention to the following:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where: Y = Customer loyalty

α = constant

X1 = Product Quality

X2 = Price

X3 = Promotion

$\beta_1 - \beta_3$ = Regression coefficient

e = Nuisance Variable (residual error)

Table 2. Indicators and Measurement of Research Variables

| Variable | Indicator | Measurement Scale | Source |
|----------------------|---|-------------------|-----------------------------|
| Product Quality (X1) | . Reliability | Likert Scale | Anisa and Harti (2015) |
| | . Performance | | |
| | . Service Capabilities | | |
| Price (X2) | . Affordability. | Likert Scale | Kotler and Armstrong (2008) |
| | . Price match with product quality | | |
| | . Price competitiveness | | |
| Promotion (X3) | . Promotional quality | Likert Scale | Kotler and Keller (2016) |
| | . Promotion quantity | | |
| | . Accuracy and suitability of promotional targets | | |
| Customer Loyalty (Y) | . Desire to repurchase the product | Likert Scale | Wulandari and |

- . Commitment to the product
- . Refer to the product

Rahyuda (2016) and
Dhinata and
Kusumadewi (2014)

Table 3. Scoring of Research Instruments

| Options | Likert Scale Values |
|-------------------------|---------------------|
| Strongly Agree (SS) | 5 |
| Agree (S) | 4 |
| Neutral (N) | 3 |
| Disagree (TS) | 2 |
| Strongly Disagree (STS) | 1 |

The indicators above are scaled using a Likert scale. The Likert scale measures individual or group awareness, perceptions, and attitudes towards social phenomena. According to the Likert scale, the variable to be evaluated indicates that variable. Then, these indicators are set as temporary measures to help identify questions. Strongly Agree (SS), Agree (S), Neutral (N), Disagree (TS), and Strongly Disagree (STS) will be the answers to each question using a Likert scale.

RESULTS AND DISCUSSION

Test Validity. Validity is used to find out how valid or legitimate a questionnaire is. A questionnaire can be considered valid if the statements contained in the questionnaire are true or accurately represent something to be tested. The results of checking the validity of the questionnaire using IBM SPSS Statistics 26 are as follows:

Table 4. Validity Test Results

| Item | Question | R count | R table | Ket |
|------|---|---------|---------|-------|
| X1.1 | I feel that Mas Brow products provide practical product innovation | 0,830 | 0.165 | Valid |
| X1.2 | I feel that Mas Brow products comply with the standards and quality offered | 0,818 | 0.165 | Valid |
| X1.3 | I feel that Mas Brow products always provide products that are new and fresh | 0,776 | 0.165 | Valid |
| X1.4 | I feel UD. Setya Abadi can provide maximum delivery speed | 0,824 | 0.165 | Valid |
| X1.5 | I feel that UD. Setya Abadi employees are very polite and friendly when serving customer orders | 0,824 | 0.165 | Valid |
| X1.6 | I feel that UD. Setya Abadi employees are fast and responsive in serving customer orders | 0,812 | 0.165 | Valid |
| X2.1 | The prices offered are very affordable for all groups | 0,857 | 0.165 | Valid |
| X2.2 | Prices vary according to product size | 0,786 | 0.165 | Valid |
| X2.3 | The Price offered is following the value and quality of the product | 0,813 | 0.165 | Valid |
| X2.4 | The Price of the product offered is in line with my expectations | 0,745 | 0.165 | Valid |
| X2.5 | The Price offered is more economical compared to other competitors | 0,784 | 0.165 | Valid |
| X2.6 | Mas Brow product prices can compete with other similar products | 0,745 | 0.165 | Valid |
| X3.1 | I can easily get Mas Brow kebab products at the nearest frozen | 0,663 | 0.165 | Valid |

| | | | | |
|------|--|-------|-------|-------|
| | food outlet | | | |
| X3.2 | The promotions carried out are very informative, current, and clear | 0,696 | 0.165 | Valid |
| X3.3 | I feel that the quality of Mas Brow's products matches the promotions offered | 0,765 | 0.165 | Valid |
| X3.4 | Mas Brow products are often promoted online or through other media | 0,790 | 0.165 | Valid |
| X3.5 | It is straightforward to find out about Mas Brow products from various social media (Instagram, Web, TikTok) | 0,770 | 0.165 | Valid |
| X3.6 | I feel that the timing of the promotion is quite right | 0,733 | 0.165 | Valid |
| Y.1 | Apart from buying Mas Brow products, I will also buy other types of recommended products | 0,859 | 0.165 | Valid |
| Y.2 | I am waiting for other flavor innovations from Mas Brow products | 0,768 | 0.165 | Valid |
| Y.3 | I will not be interested in buying other products other than Mas Brow | 0,793 | 0.165 | Valid |
| Y.4 | I will often buy products from Mas Brow | 0,816 | 0.165 | Valid |
| Y.5 | I will recommend to my friends and family to buy Mas Brow products | 0,828 | 0.165 | Valid |
| Y.6 | I always invite my partners to try products from Mas Brow | 0,863 | 0.165 | Valid |

Source: SPSS 26

Before carrying out the classical assumption test, the validity and reliability of the questionnaire used in this research were assessed. Validity assessment results. As seen in Table 4, each indicator used to adjust the variables used in this research has a rcount greater than the r table. For a sample of 98 ($N-2 = 100-2 = 98$) respondents with a significance level of 0.05 or 5%, an Rtable of around 0.165 is obtained. Based on the results of the validity assessment, all correction indicators in the questionnaire are considered valid (see Table 4).

Reliability Test. In other words, reliability/reliability is a measurement that shows some threshold at which an instrument can be trusted or not trusted; therefore, reliability contributes to the instrument's consistency (in understanding). Cronbach's alpha coefficient is used to calculate reliability or gradient. The following are the dependent test results for each variable:

Table 5. Reliability Test

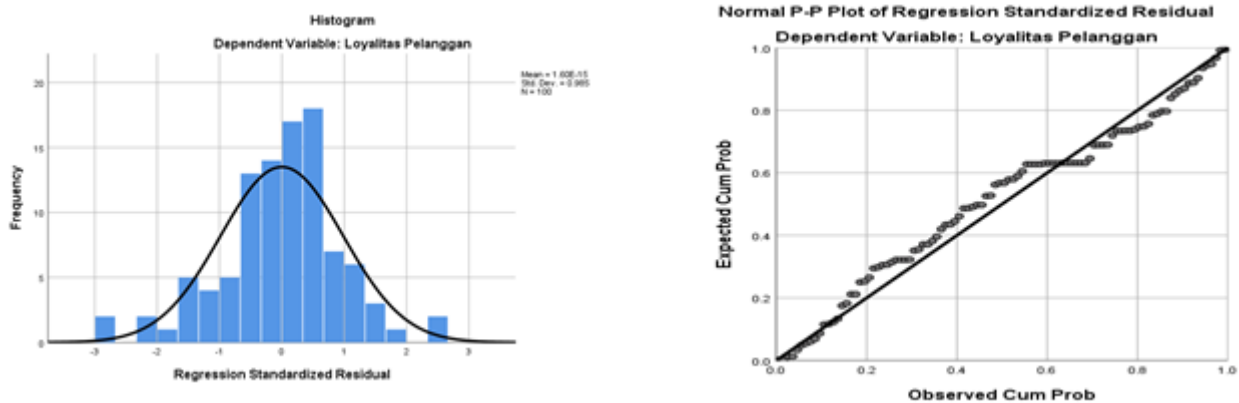
| Variable | Cronbach Alpha | Factor Loading |
|----------------------|----------------|----------------|
| Product Quality (X1) | 0,898 | Reliable |
| Price (X2) | 0,878 | Reliable |
| Promotion (X3) | 0,812 | Reliable |
| Customer Loyalty (Y) | 0,802 | Reliable |

Source: SPSS 26.

Based on Table 5, it can be seen that the Cronbach's Alpha coefficient for each variable is more than 0.06. Thus, all research instruments are reliable and can be used for further analysis. Before hypothesis testing, all data will be tested for the classic assumptions of normality, multicollinearity, and heteroscedasticity. Hypothesis testing uses the T-test and F-test, where each hypothesis is supported if the sig value < 0.05 and the t value $> t$ table, regardless of the direction of the beta coefficient.

Classic Assumptions Test. This research applies the partial differential equation linear regression model to classical assumptions. Some of the data tested are the data normality test, multicollinearity test, and heteroscedasticity test, each of which has requirements so that the data can be said to meet the tests of these three classical assumptions. The results obtained are as follows.

Normality Test. The first assumption made in this classical assumption is called the normality test. The normality test is used to determine the normality distribution of residual values. When using Kolmogorov-Smirnov analysis, the results of the normality test are as follows:



Source: SPSS 26.

Figure 1. Normality Test

The image above shows that the data tested in this study is expected. However, use the Kolmogorov-Smirnov test to learn more about the normality value. The following is a table of the test data output:

One-Sample Kolmogorov Smirnov Test.

Table 6. Kolmogorov Smirnov Test

| One-Sample Kolmogorov-Smirnov Test | | Unstandardized Residual |
|------------------------------------|----------------|-------------------------|
| N | | 100 |
| Normal Parameters ^{a,b} | Mean | .0000000 |
| | Std. Deviation | 1.97066186 |
| Most Extreme Differences | Absolute | .083 |
| | Positive | .070 |
| | Negative | -.083 |
| Test Statistic | | .083 |
| Asymp. Sig. (2-tailed) | | .087 ^c |

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

Source: SPSS 26.

Based on the data entry results in the table above, the residual's significance level (Asym sig, 2-tailed) is $0.087 > 0.05$, indicating a higher value than alpha. It shows that all the variable data studied follows a normal distribution. As a result, the first classical hypothesis has been fulfilled, and the model is suitable for use as a data analysis tool.

Multicollinearity Test. Multicollinearity refers to the existence of a pure linear relationship between many or all of the variables describing the regression model. Therefore, if the VIF is below or less than <10 and the tolerance value is above or more than >0.1 , then multicollinearity will not occur.

Table 7. Multicollinearity Test

| Model | Coefficients ^a | | | | Collinearity Statistics | | |
|------------|-----------------------------|------------|---------------------------|--------|-------------------------|-----------|-------|
| | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Tolerance | VIF |
| | B | Std. Error | Beta | | | | |
| (Constant) | -.559 | 1.671 | | -.334 | .739 | | |
| 1 Product | -.268 | .120 | -.256 | -2.236 | .028 | .215 | 4.649 |
| Quality | | | | | | | |
| Price | .675 | .153 | .603 | 4.422 | .000 | .151 | 6.605 |
| Promotion | .589 | .114 | .507 | 5.159 | .000 | .292 | 3.427 |

a. Dependent Variable: Customer loyalty

Source: SPSS 26

From the table above, it can be seen that the tolerance value is > 0.1 , and the VIF value for each variable below is less than <10 , thus indicating that there is no multicollinearity in the model.

Heteroscedastasis Test. The heteroscedasticity test aims to determine the variation in residual inequality from a particular experiment. Test data is valid if the results show heteroscedasticity and no inequality in data variations. The results obtained from the heteroscedasticity test are as follows;

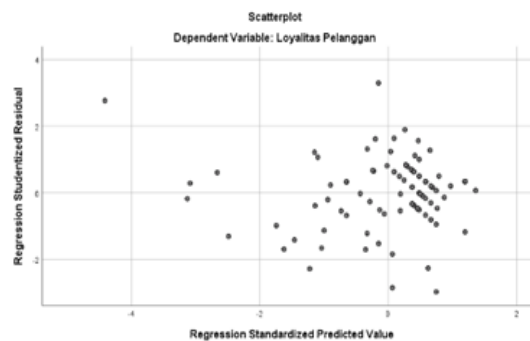


Figure 2. Heteroscedasticity test

The analysis results in Figure 8 show that the points are random and not divided into existing patterns, meaning that heteroscedasticity does not occur in this model.

Multiple Linear Regression Analysis. Based on data analysis using the SPSS application, the data output is as shown in the following table:

Table 8. Multiple Linear Regression Test

| Model | Coefficients ^a | | | t | Sig. |
|--------------|-----------------------------|------------|---------------------------|-------|------|
| | Unstandardized Coefficients | | Standardized Coefficients | | |
| | B | Std. Error | Beta | | |
| 1 (Constant) | -.559 | 1.671 | | -.334 | .739 |

| | | | | | |
|-----------------|-------|------|-------|--------|------|
| Product Quality | -.268 | .120 | -.256 | -2.236 | .028 |
| Price | .675 | .153 | .603 | 4.422 | .000 |
| Promotion | .589 | .114 | .507 | 5.159 | .000 |

a. Dependent Variable: Customer loyalty

Source: SPSS 26

Based on the statistical regression tests carried out in the table above, the mathematical equation for this research can be arranged as follows:

$$Y = - 0,559 - 0,268 X1 + 0,675 X2 + 0,589 X3$$

The regression results and interpretation of multiple regression analysis are as follows: The constant value (a) is negative, namely -0.559. It means that if product quality, Price, and promotion are equal to zero, customer loyalty will decrease. The regression coefficient for the product quality variable (X1) is around -0.268, indicating a negative influence of product quality on customer loyalty. The regression coefficient for the variable "X2" is around 0.675, indicating a positive correlation between Price and customer loyalty. The coefficient of determination of the promotion variable (X3) is around 0.589%, indicating that promotion positively influences customer loyalty.

The results of the analysis show that the regression coefficient of determination for product quality (-0.268), Price (0.675), and promotion (0.589) is as follows: because $0.675 > -0.268$ and 0.589 , Price is the variable that has the most significant influence on customer loyalty.

Results of Partial Regression Test (t-Test). The following can be obtained from the results of data processing using the SPSS program:

If the sign value is < 0.05 or the calculated t value is $> t$ table, then there is an influence of variable X on variable Y (and vice versa); Formula: $t \text{ table} = t (a/2; n-k-1)$

Table 9. Partial Test (t-Test)

| Model | Coefficients ^a | | t | Sig. | |
|-------------------|-----------------------------|---------------------------|-------|--------|------|
| | Unstandardized Coefficients | Standardized Coefficients | | | |
| | B | Std. Error | | | Beta |
| (Constant) | -.559 | 1.671 | -.334 | .739 | |
| 1 Product Quality | -.268 | .120 | -.256 | -2.236 | .028 |
| Price | .675 | .153 | .603 | 4.422 | .000 |
| Promotion | .589 | .114 | .507 | 5.159 | .000 |

a. Dependent Variable: Customer loyalty

Source: SPSS 26 output

The t-test results for the variable measuring product quality are around -2.236 with a p-value of 0.028 < 0.05 , meaning that H_0 is rejected, showing that product quality significantly negatively affects customer loyalty. Suppose the t-test for the price variable is determined with a t-value of 4.422 and a p-value of $0.000 < 0.05$. In that case, H_0 is rejected, which means that Price has a statistically significant influence on customer loyalty. The results of calculating the promotion t-test variable produce a t-value of 5.159 with a p-value of $0.000 < 0.05$, meaning that H_0 is rejected, which shows that promotion has a significant negative effect on customer loyalty.

Table 10. F test

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|------------|----------------|----|-------------|--------|-------------------|
| Regression | 1036.283 | 3 | 345.428 | 86.252 | .000 ^b |
| Residual | 384.467 | 96 | 4.005 | | |
| Total | 1420.750 | 99 | | | |

a. Dependent Variable: Customer loyalty

b. Predictors: (Constant), Promotion, Product Quality, Price

Table 11. Coefficient of Determination Test (R²)

| Model Summary ^b | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .854 ^a | .729 | .721 | 2.00122 |

a. Predictors: (Constant), Promotion, Product Quality, Price

b. Dependent Variable: Customer loyalty

The coefficient of determination determined based on Adjusted R Square is 0.721%. It shows that the influence of product quality, price, and promotion variables on customer loyalty is 72.1%; However, the influence of other variables on customer loyalty is only 27.9% if the p-value is 0.028, more diminutive than 0.05, meaning Ho is rejected. Therefore, product quality has a significant influence on customer loyalty.

The Effect of Product Quality (X1) on Customer Loyalty (Y) Judging from the results of testing the t variable with a t value of around -2.236 and a p-value of $0.028 < 0.05$, it can be concluded that Ho is rejected. It supports Hypothesis 1: Product quality significantly influences customer loyalty. It means that the research results vary in terms of product quality and have a significant influence on customer loyalty. It follows the research results of Rahmawati and Nilowardhono (2018), which state that product quality variables significantly influence customer loyalty.

Effect of Price (X2) on Customer Loyalty (Y) The t-test result for the price variable is 4.422 with a p-value of $0.000 < 0.05$, which means Ho is rejected. It allows us to conclude hypothesis 2, namely that Price significantly influences. The results of this research show that the price variable has a significant influence on customer loyalty. It follows the results of previous research by Darwin et al. (2019), which shows that price variation significantly influences customer loyalty.

Effect of Promotion (X3) on Customer Loyalty (Y) Based on the results of the t-test, the promotion variable has a t-value of 5.159 and a p-value of $0.000 < 0.05$, so Ho is rejected, so hypothesis 3 states that promotion has a significant effect on customer loyalty. The conclusion of this research shows that promotional variables significantly influence customer loyalty. This conclusion follows the results of research conducted by Eferiato (2016), who found that promotional variables significantly influence customer loyalty.

Product Quality (X1), Price (X2) and Promotion (X3) Customer Loyalty (Y) Based on the results of the F test hypothesis testing, it can be concluded that there is a simultaneous influence between independent variables, namely product quality (X1), Price (X2) and promotion (X3), the dependent variable is customer loyalty (Y) as evidenced by the high calculated F value (86,252) which is more significant than table F (2,699). Based on the entire sample, a coefficient of determination (R squared) of 0.721% was obtained, indicating 72.1%. The dependent variables, namely Product Quality (X1), Price (X2), and Forever Promotion (X3), experienced changes. On the other hand, the entire sample ($100\% - 72.1\% = 27.9\%$) was influenced by variables other than these.

CONCLUSION

Based on the results of the study and analysis, the following can be taken:

1. Product quality has a significant effect on customer loyalty. It means that as product quality increases, customer loyalty to the product will also increase.

2. Price has a statistically significant influence on customer loyalty. So, When the Price of a product increases, customer loyalty to the product also increases.
3. Promotion has a significant negative effect on customer loyalty. It shows that customer loyalty increases when promotions are carried out more successfully.

Suggestion. Research findings show that UD. Setya Abadi D.M should prioritize improving the quality of its products by using premium raw materials and improving service standards to foster customer loyalty and satisfaction. Business people must also concentrate on improving the taste of their products by studying the established product manufacturing SOPs. The pricing is adjusted to the quality standards offered to ensure customer satisfaction with the product at the Price listed.

Currently, promotions using digital platforms such as Instagram, websites, and TikTok, can help increase the visibility of UD. Setya Abadi D.M and position it as an inspiration for Indonesian culinary delights. By taking these actions, companies can make their products more accessible and popular among customers. In addition, it is recommended that further research be able to measure knowledge and research variables consistently and analyze objectives thoroughly to obtain comprehensive information about factors that may influence customers' ability to carry out the purchasing process.

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