

## THE EFFECT OF CUSTOMER SATISFACTION AS A MEDIATING VARIABLE ON MUSLIM FASHION CUSTOMERS IN SURAKARTA

Dinda Wulan Andari<sup>1)</sup>, Muhammad Sholahuddin<sup>2)</sup>

<sup>1)</sup>Management, Faculty of Economics and Business, Universitas Muhammadiyah Surakarta  
Corresponding author [muhammad.sholahuddin@ums.ac.id](mailto:muhammad.sholahuddin@ums.ac.id)

### Abstract

*The desire and need for Muslim clothing is increasing, companies engaged in fashion are competing to make the best Muslim products and in accordance with trends. This study generally aims to examine customer satisfaction of Muslim fashion products in Surakarta. Specifically, this study aims to analyze the effect of product quality, price, and promotion on customer loyalty through customer satisfaction as a mediating variable for Muslim fashion customers in Surakarta. Respondents in this study were 180 people through an online survey. The sampling technique used non-probability sampling with purposive sampling method. Validity and reliability tests using smart PLS analysis on the outer model. Hypothesis testing using smartPLS inner model output. The results of data analysis show that this research instrument has good validity and reliability. Product quality, promotion and price and have a direct effect on customer loyalty. Customer satisfaction is able to mediate the relationship between product quality and promotion to customer loyalty, but customer satisfaction is not able to mediate the price relationship to customer loyalty. This article has the potential to make an important contribution to the development of the fashion subsector, especially Muslim fashion in Indonesia, by presenting new and relevant information.*

**Keywords:** Customer Loyalty, Customer Satisfaction, Product Quality, Promotion, Price

### 1. INTRODUCTION

Indonesia is a country with the largest Muslim population in the world. Based on data in 2022, the total population in Indonesia was recorded at 275,361,267 people, while the number of people who adhere to Islam is 238.09 million people or around 86.93% of the total population in Indonesia (Piarna et al., 2020). With the majority of the country's population being Muslim, making Muslim clothing will get great attention (Halim & Munawir, 2023). Muslim fashion has become a fashion mode nowadays, everyone has their own Muslim fashion style. Muslims are very concerned about their clothing in two situations, namely, clothing that is usually worn for everyday or activities outside the home and clothing that is worn for worship (Sholahuddin, 2016).

The desire and need for Muslim clothing is increasing, companies engaged in fashion are competing to make the best Muslim products and in accordance with trends. Consumer demand increases by almost 100% in the run-up to Islamic holidays compared to weekdays. Although the peak sales of Muslim clothing before Ramadan until the day of Eid, this business will not lose its customers (Indriana et al., 2022). Muslim clothing stores will still have customers, it is because Muslims use Muslim clothing not only during Eid celebrations, but also for daily activities (Wajdi et al., 2020). Therefore, the main thing that must be considered in running a business to open a Muslim clothing store is to read the current fashion model that is in demand by many people. This is the most important factor in business continuity so that customers do not move to other more attractive stores (Hamdani, 2022).

Product quality is the most important factor that influences every customer's purchasing decision in buying a product. The better the product quality, the higher the consumer's interest in buying the product. By creating quality products, companies will gain the trust of customers (Sabita & Mardalis, 2023). If the quality of a product is good, then consumer desires will be fulfilled. Apart from product quality, customers also pay attention to the price of the product offered by the seller. It is important in running this business to pay attention to the quality of the product is comparable to the price offered (Jonathan et al., 2022).

A relatively low price that is easily accessible to the public will be a special attraction for consumers. However, basically good quality products have a fairly high price. Consumers don't care that they have to spend more money to get higher quality goods (Oktandani & Sholahuddin, 2023).

Setting prices appropriately will provide benefits for companies engaged in this business. Prices are influenced by two factors, namely internal factors which include costs, marketing strategies, marketing objectives, and pricing. The second is internal factors such as trade competition and market nature, as well as other environmental factors (De et al., 2020). Price is an important benchmark for determining people's buying interest and the quality of the product must also be suitable for use and comfortable to use, if the price is too high, people are not interested in buying it (Kasmad, 2022).

In getting buyers or consumers, promotion is very necessary. The smooth running of promotional activities is influenced by the clarity or objectives of marketers, there are several factors that support promotional or marketing activities. A promotion plan is the first step in introducing a product to consumers and this is very important because it has an impact on the revenue that the company will get (Aji et al., 2019). A promotional strategy that is well supported by organized preparation will be very effective. Companies must be able to make the best promotional plans. One of the company's goals in achieving its goals is to be able to attract customers to use the goods offered (Prasetyo, 2022). Therefore, business people must be able to develop effective marketing plans in accordance with current market conditions in order to attract customers and encourage them to make purchases. In the business world, promotion is very important because it allows consumers and potential customers to learn more about product quality and attributes (Wahyoedi et al., 2021).

Factors that determine the creation of customer satisfaction, namely, good product quality, product prices in accordance with the market, and proper promotion. In building a business that needs to be considered by the company is customer satisfaction, when customers are satisfied with the products or services offered by a company, it will usually create loyal customers and will promote it to others. The thing that needs to be considered besides customer satisfaction is customer loyalty. (Fetais et al., 2022).

Research conducted by Abbes et al., (2020) found that consumer satisfaction and loyalty lie in product quality and price. Then every company tries to attract its customers in various ways, one of which is by providing information about the quality or product. Customer loyalty is very important for every business company or organization. Returning intentions to purchase additional goods or services from the same business, willingness to promote the business to others, showing refusal to switch to another company, and willingness to pay more are examples of components of customer attitudes. Customer loyalty is the actual repeat purchase of goods or services, which includes making more purchases of the same goods or different things from the same company, suggesting business to others, and possibly using the product for a long time while maintaining quality (Atqiyya Baroroh, 2022). The good quality of a product will influence consumers in determining their choice to use the product, making it easier for consumers to make purchasing decisions and be loyal. A product can be said to be of quality if the product can fulfill the wants and needs as expected or exceed what consumers expect (Saridewi & Nugroho, 2022).

Previous research related to product quality has been carried out a lot, according to (Lie et al., 2019) the results of his research show that customer satisfaction is not able to influence the price relationship to consumer loyalty. Empirical findings show that to increase customer satisfaction and loyalty, companies must pay attention to supporting factors in choosing the type of product for consumers, such as service quality, price, and consumer confidence. Meanwhile, research conducted by (Wantara & Tambrin, 2019) based on the results of his research shows that price has a positive and significant effect on customer satisfaction, product quality has a positive and significant effect on customer satisfaction, price has a positive and significant effect on customer loyalty, and customer satisfaction has a positive and significant effect on customer loyalty.

## 2. LITERATURE REVIEW

### Consumer Behavior

Consumer behavior is the study of how individuals, groups and organizations choose, buy, use and place goods, services, ideas or experiences to satisfy their wants and needs. Consumer behavior can be described as a description of how individuals make decisions to utilize their available

resources to purchase consumption-related goods. Perceptions describe how consumers perceive certain products or services after previous experiences that can influence future consumer behavior intentions. (Surapati & Mahsyar, 2020).

### **Customer Loyalty**

Customer loyalty is a consumer commitment to a brand, store or supplier defined as a customer commitment based on positive traits in long-term purchases. This understanding implies that a combination of customer satisfaction and customer complaints results in brand loyalty (Aura Febriani et al., 2022). Customer loyalty is the expression and continuity of customer satisfaction by applying the services offered by the company, and customers are loyal to the company (Yusnara & Soepatini, 2023).

### **Product Quality**

According to Kotler and Keller (2016: 37) in Febrianti et al., (2022) product quality is the ability of a product to fulfill its purpose. This includes things like product durability, reliability, precision, simplicity of product use and maintenance, and other values.

### **Product Price**

Price is the value of a product or service. To determine the price of a product, producers must have knowledge of the value or price that will be given to consumers. If the price offered is higher than the value perceived by consumers, then consumers will not buy the product. In contrast to service marketing, prices are often used to build confidence in the quality of the services offered (Leonardi & Djakasaputra, 2022).

### **Product Promotion**

According to Suci Wahyuni et al., (2020) promotion is a type of communication between sellers and buyers that results from accurate information and tries to change consumer attitudes and behavior, which previously did not know the product so that they become consumers and remember the product.

### **Customer Satisfaction**

According to Balinado et al., (2021) the definition of consumer or customer satisfaction is the level of satisfaction of a person after comparing (performance or results) that is felt compared to his expectations. The level of satisfaction is a function of the difference between perceived performance and expectations. consumers can understand one of the three general levels of satisfaction, namely if performance is below expectations, consumers will feel disappointed, but performance in accordance with customer expectations will feel satisfied and if performance can exceed expectations, customers will feel very satisfied happy or very happy.

### **Hypothesis**

#### ***The relationship between product quality and customer satisfaction***

According to Wolter et al., (2022) that product quality is the conformity of the needs and desires of each product into product specifications. Product quality indicates a good, durable and reliable product. A quality product will make customers satisfied to decide and buy the product (Albari, 2019). Product quality is important to ensure the company's competitive advantage in the market. Improving product quality will increase customer satisfaction which in turn will improve company performance (Surya & Kurniawan, 2019). Customer satisfaction occurs if the customer is satisfied with the product quality provided by a product. Product quality has a positive impact on customer satisfaction. This hypothesis is formed on the basis of research results from (Lie et al., 2019) showing that product quality has a high influence on customer satisfaction.

**H1: Product quality has a positive and significant effect on customer satisfaction.**

#### ***The relationship between product price and customer satisfaction***

Price is considered something that can be calculated according to several measures, such as fair price, competitive price, discount price, retailer price, and price compatibility. Value is a higher-level definition than quality and price because it is more individualistic and personalized. Satisfied consumers believe that the value of goods and services is worth the price, which will encourage them to repurchase the product. Customers will pay attention to the prices paid by their peers, and no one wants to spend more money than their peers. The fairness of a price can affect consumers' perceptions of the product, and ultimately their desire to become consumers (Budiyanto, 2018). This hypothesis is formed on the basis of research results from (Suastini & Mandala, 2018) which found that price has a positive and significant effect on customer satisfaction.

**H2: Product prices have a positive and significant effect on customer satisfaction.**

***The relationship between promotion and customer satisfaction***

According to Acelian & Basri, (2021) Promotion plays a role in disseminating information, influencing or persuading, and or reminding the target market of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company. Promotional activities consist of all kinds of incentive tools, and most of them are short-term goals. Promotion is the spearhead of a product's business activities to reach the target market and sell the product. It is almost certain that promotion can be carried out for the promotion of both goods and services as well as branded and non-branded ones. Promotion is carried out through various sources, namely billboard advertisements, visits to schools, distribution of brochures to advertisements in print and electronics. Promotion through the use of social media, particularly Facebook and Instagram, should be done by certain departments. In this case, existing customers are only based on emotional approaches among existing employees. This hypothesis is formed on the basis of research results from (Wahyoedi et al., 2021) which found that promotion has a positive and significant effect on customer satisfaction.

**H3: Promotion has a positive and significant effect on customer satisfaction.**

***The relationship between product quality and customer loyalty***

Usually, customers are looking for good and high-quality products, product quality is related to customer knowledge about product brands which has a positive effect on customer loyalty (Mbeté & Tanamal, 2020). Good product quality will make consumers happy and proud, with this they will buy repeatedly and recommend others to buy by word of mouth (word of mouth marketing). Customer loyalty is a consumer commitment to a brand, store or supplier defined as a customer commitment based on positive traits in long-term purchases. This understanding implies that a combination of customer satisfaction and customer complaints results in brand loyalty (Fetais et al., 2022). This hypothesis is formed on the basis of research results from (Setiawan & Rastini, 2018) which found that product quality has a positive and significant effect on customer loyalty.

**H4: Product quality has a positive and significant effect on customer loyalty.**

***The relationship between product prices and customer loyalty***

De et al., (2020) Price is the value of money intended to get a mix of products and services. Perception according to experts is an individual's progress in selecting, compiling, and translating stimuli into a comprehensive picture. Although setting the value of money is considered as some of the determining factors for some companies, the pricing strategy is not the only method used to solve different problems for a company, but every company must make decisions on pricing issues appropriately. One of the ways companies can achieve customer loyalty is by offering fair and reasonable prices to customers. Cheap or expensive products are relative. Researchers have found that there is a positive influence between price and customer loyalty (De et al., 2020). This hypothesis is formed on the basis of research results from which found that price has a positive and significant effect on customer loyalty.

**H5: Product prices have a positive and significant effect on customer loyalty.**

***The relationship between promotion and customer loyalty***

In the marketing mix strategy, promotion is one of the important elements for companies to survive. It is argued that good communication can help increase customer loyalty, but not all promotional

activities are effective. Small changes in satisfaction can lead to substantial changes in increased loyalty. Successful brands must realize that although customer loyalty and customer satisfaction are not directly proportional, having satisfied customers is not enough because only very satisfied customers have a greater chance of being loyal to the brand (Mbetete & Tanamal, 2020). This hypothesis is formed on the basis of research results from (Saputra & Mahaputra, 2022) which found that product quality has a positive and significant effect on customer loyalty.

**H6: Promotion has a positive and significant effect on customer loyalty.**

#### *The relationship between customer satisfaction and customer loyalty*

According to (Balinado et al., 2021) the definition of consumer or customer satisfaction is the level of satisfaction of a person after comparing (performance or results) that is felt compared to his expectations. Customer satisfaction is a very important factor to ensure consumer loyalty to a product or service from a company. Therefore, satisfaction has a major effect on consumer loyalty to a product or service. This hypothesis is formed on the basis of research results from (Yusnara & Soepatini, 2023) which found that customer satisfaction has a positive and significant effect on customer loyalty.

**H7: Customer satisfaction has a positive and significant effect on customer loyalty.**

#### *Customer satisfaction mediates the relationship between product quality, price, and promotion on customer loyalty*

According to (Tjiptono, 2012) price has two main roles in the decision-making process of buyers, namely the allocation role and the information role. Price is the amount of money charged or charged for a product or product. With an affordable price, it will make consumer satisfaction increase so that it will form repeat buying behavior from consumers. High consumer satisfaction will also increase the level of consumer loyalty (Dewi, 2020). This hypothesis is formed on the basis of research results from (Mbetete & Tanamal, 2020) which found that customer satisfaction can mediate the relationship between price and customer loyalty.

**H8: Customer satisfaction mediates the relationship between product quality, price, and promotion on customer loyalty.**

### 3. METHOD

This type of research was conducted using quantitative research methods with survey methods to obtain primary data. According to Bougie & Sekaran, (2017) quantitative data is research data in the form of numbers that will be assessed using statistics as a calculation test tool, related to the problem being studied to draw a conclusion. The sample is part of the population, which is the basis of the data used in the study and consists of various characteristics (Sugiyono, 2020). In this study, the sampling technique used nonprobability sampling using purposive sampling method, which was carried out on Muslim fashion users in Surakarta. Respondents in the study were 180 respondents.

The type of data used in this study uses primary data which is the result of distributing questionnaires or respondents' answers. Data collection was obtained from questionnaires distributed to respondents of Muslim fashion users in Surakarta from variables of Product Quality, Product Price, Promotion, Customer Loyalty, and Customer Satisfaction. In this study, the data analysis technique used Smart PLS or Smart Partial Least Square. Smart PLS is statistical software that has the same goal of testing the correlation between variables, including indicators and latent variables (Sekaran & Bougie, 2016).

### 4. RESULTS AND DISCUSSION

#### Result

##### Validity Test Analysis

In conducting research, this test is a measurement of whether each statement presented in the form of a questionnaire is able to represent the variable under study. In using Smart PLS, validity measurements are carried out in 2 ways and the results of the analysis that have been carried out are:

a) Convergent Validity

Convergent Validity value is the loading factor value on the latent variable with its indicators. Used to test the validity of each indicator in a variable, individual reflexive measures are said to be high if they correlate  $> 0.7$  with the construct to be measured, meaning that the indicator is valid measuring the construct created. However, for the development stage of the measurement scale, a loading value of  $> 0.5$  is considered sufficient, which means it is qualified.

**Table 1. Results of Convergent Validity Outer Loading**

Indikator	Price (X2)	Customer satisfaction (Z)	Product quality (X1)	Customer loyalty (Y)	Promotion (X3)
H1	0.824				
H2	0.839				
H3	0.835				
H4	0.836				
H5	0.847				
H6	0.784				
KP1			0.839		
KP2			0.877		
KP3			0.865		
KP4			0.753		
KP5			0.789		
LP1				0.770	
LP2				0.841	
LP3				0.888	
LP4				0.858	
LP5				0.858	
LP6				0.829	
PR1					0.815
PR2					0.857
PR3					0.799
PR4					0.742
PR5					0.793
puas1		0.790			
puas2		0.789			
puas3		0.820			
puas4		0.840			
puas5		0.802			

**Source: Processed Data 2023**

The findings in Table 1. show that the 5 variables used in this study such as product quality (KP), price (H), promotion (PR), customer loyalty (LP), and customer satisfaction (Satisfied) in each question representing each variable have a loading factor value  $> 0.6$ , so it can be stated that the questions representing each variable are eligible for research.

b) Discriminant Validity

Measurement of discriminant validity using the crossloading value and the average variance extracted (AVE) value. The findings of this test with the average variance extracted (AVE) show that the AVE value generated by each variable used is  $> 0.5$ , so it can be said to meet the requirements presented in table 2.

**Table 2. Average Variance Extruted (AVE) Analysis Results**

Variable	Average Variance Extracted (AVE)
----------	----------------------------------

Product Quality (X1)	0.682
Price (X2)	0.685
Promotion (X3)	0.643
Customer Satisfaction (Z)	0.653
Customer Loyalty (Y)	0.708

Source: Processed Data 2023

The findings of this test with average variance extracted (AVE) show that the AVE value generated by each variable (price, product quality, promotion, customer satisfaction, and customer loyalty) used is greater than 0.5, so it can be said to meet the requirements presented in table 3. The results of Cross Loading are

Table 3. Cross Loading Analysis Results

Indikator	Price (X2)	Customer satisfaction (Z)	Product quality (X1)	Customer loyalty (Y)	Promotion (X3)
H1	<b>0.824</b>	0.382	0.333	0.537	0.500
H2	<b>0.839</b>	0.383	0.266	0.511	0.390
H3	<b>0.835</b>	0.386	0.297	0.487	0.431
H4	<b>0.836</b>	0.428	0.339	0.453	0.455
H5	<b>0.847</b>	0.488	0.409	0.450	0.431
H6	<b>0.784</b>	0.470	0.340	0.425	0.390
KP1	0.296	0.443	<b>0.839</b>	0.498	0.514
KP2	0.324	0.520	<b>0.877</b>	0.552	0.534
KP3	0.361	0.516	<b>0.865</b>	0.497	0.539
KP4	0.355	0.460	<b>0.753</b>	0.469	0.475
KP5	0.318	0.477	<b>0.789</b>	0.545	0.552
LP1	0.422	0.478	0.461	<b>0.770</b>	0.557
LP2	0.522	0.545	0.512	<b>0.841</b>	0.530
LP3	0.515	0.562	0.581	<b>0.888</b>	0.549
LP4	0.454	0.558	0.530	<b>0.858</b>	0.553
LP5	0.512	0.565	0.558	<b>0.858</b>	0.569
LP6	0.481	0.540	0.489	<b>0.829</b>	0.603
PR1	0.423	0.539	0.497	0.493	<b>0.815</b>
PR2	0.426	0.565	0.559	0.617	<b>0.857</b>
PR3	0.448	0.550	0.521	0.506	<b>0.799</b>
PR4	0.343	0.477	0.485	0.417	<b>0.742</b>
PR5	0.447	0.578	0.482	0.605	<b>0.793</b>
puas1	0.437	<b>0.790</b>	0.429	0.469	0.547
puas2	0.372	<b>0.789</b>	0.392	0.452	0.462
puas3	0.429	<b>0.820</b>	0.421	0.506	0.529
puas4	0.424	<b>0.840</b>	0.548	0.548	0.614
puas5	0.402	<b>0.802</b>	0.553	0.606	0.569

Source: Processed Data 2023

The results that have been obtained above show that the value of each question item, both product quality, price, promotion, customer satisfaction and customer loyalty, produces a cross loading value > large in comparing the variables in the questions used to represent them, so it can also be declared valid.

1. Reliability Test Analysis

Furthermore, the reliability measurement will show the accuracy of the consistency of the respondent's answer in the variable used to determine whether the respondent is consistent in answering the question under study. In this measurement, there are 2 ways used in this study, namely:

a. Composite Reliability Testing

Composite reliability is the part used to test the reliability value of variable indicators, a construct is said to be reliable if the composite reliability value  $> 0.7$  has high reliability even though 0.6 is still acceptable. presentation of Table 4.

**Table 4. Composite Reliability Analysis Results**

Variabel	Composite Reliability
Product Quality (X1)	0.914
Price (X2)	0.929
Promotion (X3)	0.900
Customer Satisfaction (Z)	0.904
Customer Loyalty (Y)	0.936

Source: Processed Data 2023

The composite reliability value generated on each variable price, product quality, promotion, customer satisfaction and customer loyalty  $> 0.7$  where the Composite Reliability value of the price variable  $> 0.7$  is 0.929, customer satisfaction  $> 0.7$  which is 0.904, product quality  $> 0.7$  which is 0.914, customer loyalty  $> 0.7$  which is 0.936 and promotion  $> 0.7$  which is 0.900. Judging from the Composite Reliability value for each variable which is  $> 0.7$ , it shows that the four variables are reliable.

b. Cronbach Alpha Testing

The reliability test with composite reliability can be strengthened by using the Cronbach's Alpha value, the variable assessment criteria if the Cronbach's alpha value for each variable is  $> 0.7$ , it is said to be reliable. The following is a presentation of table 5.

**Table 5. Cronbach Alpha Analysis Results**

Variabel	Cronbach's Alpha
Product Quality (X1)	0.882
Promotion (X3)	0.861
Price (X2)	0.908
Customer Satisfaction (Z)	0.868
Customer Loyalty (Y)	0.917

Source: Processed Data 2023

Based on the table above, the results of the Cronbach's Alpha employee performance variable  $> 0.7$ , namely where the variable value of price  $> 0.7$ , which is equal to 0.908, customer satisfaction  $> 0.7$ , which is equal to 0.868, product quality  $> 0.7$ , which is equal to 0.882, customer loyalty  $> 0.7$ , which is equal to 0.917 and promotion  $> 0.7$  which is equal to 0.861. Thus these results can show that each research variable has met the requirements of the Cronbach's Alpha value, so it can be concluded that all variables have a high level of reliability.

**Inner Model Testing Results**

1. Goodness of Fit Testing

This test is to determine whether the model formed is feasible to study or not by looking at the results of the research conducted:

**Table 6. R Square Results**

Model	R Square	R Square Adjusted
Customer Satisfaction (Z)	0.527	0.519



Customer Loyalty (Y)	0.590	0.581
----------------------	-------	-------

Source: Processed Data 2023

Table 6. R-Square is used to see the effect of price, product quality, and promotion variables on customer satisfaction and the magnitude of the effect of price, product quality, promotion, and customer satisfaction on customer loyalty. Based on the data in the table above, it is known that the influence of the price, product quality, and promotion variables on customer satisfaction is 0.527 or 52.7% and the influence of the price, product quality, promotion, and customer satisfaction variables on customer loyalty is 0.590 or 59%, so it is said to be a moderate or moderate relationship.

### Hypothesis Testing

Based on the data analyzed, the results can be used to answer the hypothesis of this study. To see the results of the hypothesis test in this study, it can be done by looking at the results of the t Statistic and P Values. This hypothesis can be said to be accepted if the P Values  $< 0.05$ . This study also has direct and indirect effects on each variable because there are independent variables, dependent variables, and intervening variables. For the results of direct influence hypothesis processing, it can be seen in the path coefficient table in SmartPLS bootstrapping. The test results can be seen through the bootstrapping test table as follows.

### Direct Effect Testing

This path coefficient test will show how strong the influence of the independent variable is on the dependent variable. Based on the inner model scheme that has been displayed in the figure, and also in the path coefficient table, it can explain the largest to smallest influence.

Table 7. Path Analysis

Model	Original Sample (O)	T Statistics ( O/STDEV )	P Values
Price (X2) -> Customer Satisfaction (Z)	0.193	2.678	0.008
Price (X2) -> Customer Loyalty (Y)	0.245	3.354	0.001
Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.214	2.349	0.019
Product Quality (X1) -> Customer Satisfaction (Z)	0.240	3.297	0.001
Product Quality (X1) -> Customer Loyalty (Y)	0.250	3.318	0.001
Promotion (X3) -> Customer Satisfaction (Z)	0.425	5.452	0.000
Promotion (X3) -> Customer Loyalty (Y)	0.233	2.536	0.012

Source: Processed Data 2023

### Model 1 (Effect of Independent Variables on customer satisfaction)

1. Partially, the value obtained on the price variable on customer satisfaction with a t statistic of 2.678, whose p value is 0.008, it can be explained that the t statistical value is  $2.678 > t$  table 1.96 or p value  $0.008 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the price variable has a significant effect on customer satisfaction.
2. The value generated on the product quality variable on satisfaction with t statistics 3.297, whose p value is 0.000, can be explained by the t statistical value of  $3.297 > t$  table 1.96 or p value  $0.001 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the product quality variable has a significant effect on customer satisfaction.
3. The value generated on the promotion variable on satisfaction with a t statistic of 5.452, whose p value is 0.000, can be explained by the t statistical value of  $5.452 > t$  table 1.96 or p value  $0.000 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the promotion variable has a significant effect on customer satisfaction.

**Model 2 (Effect of Independent Variables on Customer Loyalty)**

1. The resulting value of the price variable on customer loyalty with a t statistic of 3.354 with a p value of 0.001 can be explained by the t statistical value of  $3.354 < t \text{ table } 1.96$  or  $p \text{ value } 0.001 > 0.05$ , so statistically  $H_0$  is accepted or  $H_a$  is rejected, meaning that the price variable has a significant effect on customer loyalty.
2. The value generated on the customer satisfaction variable on customer loyalty with a t statistic of 2.349 whose p value is 0.019 can be explained by the t statistical value of  $6.892 > t \text{ table } 1.96$  or  $p \text{ value } 0.019 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the customer satisfaction variable has a significant effect on customer loyalty.
3. The resulting value on the product quality variable on customer loyalty with a t statistic of 3.318 whose p value is 0.001 can be explained by the t statistical value of  $3.318 > t \text{ table } 1.96$  or  $p \text{ value } 0.001 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the product quality variable has a significant effect on customer loyalty.
4. The resulting value on the promotion variable on customer loyalty with a statistical t of 2.536, whose p value is 0.001, can be explained by the statistical t value of  $2.536 > t \text{ table } 1.96$  or  $p \text{ value } 0.012 < 0.05$ , so statistically  $H_0$  is rejected or  $H_a$  is accepted, meaning that the promotion variable has a significant effect on customer loyalty.

**Indirect Effect Testing**

This analysis is more to explain the results of significant effects indirectly or using mediation. The analysis results obtained are:

**Table 8. Indirect Effect**

Model	Original Sample (O)	T Statistics ( O/STDEV )	P Values
Price (X2) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.041	1.601	0.110
Product Quality (X1) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.051	2.101	0.036
Promotion (X3) -> Customer Satisfaction (Z) -> Customer Loyalty (Y)	0.091	2.080	0.038

**Source: Processed Data 2023**

The results of Table 8. show that the t statistical value of 1.601 and p value 0.111 and with a coefficient of 0.041 on price on customer loyalty through customer satisfaction, it turns out that the t statistical value of  $1.601 < t \text{ table } 1.96$  or  $p \text{ value } 0.110 > 0.05$  and the coefficient shows a positive direction of 0.041, meaning that customer satisfaction does not significantly mediate between price and customer loyalty. The statistical t value of 2.101 and p value 0.036 and with the coefficient 0.51 on product quality on customer loyalty through customer satisfaction, it turns out that the statistical t value is  $2.101 > t \text{ table } 1.96$  or  $p \text{ value } 0.036 < 0.05$  and the coefficient shows a positive direction of 0.51, meaning that customer satisfaction mediates positively and significantly between product quality and customer loyalty. The statistical t value of 2.080 and p value 0.038 and with the coefficient 0.91 on promotion to customer loyalty through customer satisfaction, it turns out that the statistical t value is  $2.080 > t \text{ table } 1.96$  or  $p \text{ value } 0.038 < 0.05$  and the coefficient shows a positive direction of 0.91, meaning that customer satisfaction mediates positively and significantly between promotion and customer loyalty.

**Discussion**

### **The Effect of Product Quality on Customer Satisfaction**

According to Wolter et al., (2022) that product quality is the suitability of the needs and desires of each product into product specifications. Product quality shows a good, durable and reliable product. Based on the findings carried out, it shows that product quality has a significant positive effect on customer satisfaction. This means that the better the product quality provided by the Muslim fashion store, the stronger the resulting satisfaction will be. This result is in accordance with the empirical evidence produced is that product quality has a positive impact on customer satisfaction (Albari, 2019). Product quality indicates a good, durable and reliable product. A quality product will make customers satisfied to decide and buy the product. Product quality is important to ensure the company's competitive advantage in the market. Improving product quality will increase customer satisfaction which in turn will improve company performance (Surya & Kurniawan, 2019). This is reinforced by the results of research (Lie et al., 2019) showing that product quality has a high influence on customer satisfaction.

### **The Effect of Product Price on Customer Satisfaction**

Based on the findings, it shows that product prices have a significant positive effect on customer satisfaction. This means that the better the price given by the Muslim fashion store, the stronger the resulting satisfaction will be. Value is a higher level definition than quality and price because it is more individualistic and personalized. Satisfied consumers believe that the value of goods and services is worth the price, which will encourage them to repurchase the product. This means that the price given will be more and more with the quality of both the service and the product provided so that the resulting satisfaction will be stronger. This is reinforced by the results of research (Suastini & Mandala, 2018) which found that price has a positive and significant effect on customer satisfaction.

### **The Effect of Promotion on Customer Satisfaction**

Based on the findings, it shows that promotion has a significant positive effect on customer satisfaction. This means that the more intensive the promotion carried out by the Muslim fashion store, the stronger the resulting satisfaction will be. Usually, customers are looking for good and high-quality products. Product quality is related to customer knowledge about product brands which has a positive effect on customer loyalty. Good products will make consumers happy and proud, with this they will buy repeatedly and recommend others to buy word of mouth marketing (Acelian & Basri, 2021). This is reinforced by the results of research (Wahyoedi et al., 2021) which found that promotion has a positive and significant effect on customer satisfaction.

### **The Effect of Product Quality on Customer Loyalty**

Based on the findings, it shows that product quality has a significant positive effect on customer loyalty. This means that the better the product quality provided by the Muslim fashion store, the stronger the resulting customer loyalty will be. These results are in accordance with the empirical evidence produced according to (Setiawan & Rastini, 2018) states that product quality has a significant effect on customer loyalty. It can be interpreted that good product quality will build customer satisfaction which has an impact on long-term customer loyalty. There is a strong impact of product quality on consumer loyalty. This is as said by (Mbeté & Tanamal, 2020) that customer satisfaction is not the ultimate goal for the company. All efforts made by the company to satisfy consumers aim to make consumers loyal to their products, products or services. Loyalty is not formed in a short time but through a learning process and based on the results of the experience of the consumers themselves. Creating loyalty is important for companies to maintain their business continuity because loyal consumers are the basis for the stability and growth of their market share. This is reinforced by the results of research from (Setiawan & Rastini, 2018) which found that product quality has a positive and significant effect on customer loyalty.

### **The Effect of Product Price on Customer Loyalty**

Based on the findings, it shows that product prices have a significant positive effect on customer loyalty. This means that the higher the price given by the Muslim fashion store, the stronger the resulting customer loyalty will be. Price also has a positive and significant effect on customer loyalty.

This means that if the price is appropriate, it will affect customer loyalty. Price is one of the most important factors for customers because the price will be used as a guideline to measure the suitability between product functions and benefits to be received with the sacrifices that have been made. If the quality and function of a product can meet high consumer expectations and desires, the consumer's point of view prefers that the price will be proportional to the quality provided. This means that internal satisfaction is built and long-term loyalty will also increase. This is reinforced by the results of research from (Atqiyya Baroroh, 2022) which found that price has a positive and significant effect on customer loyalty.

#### **The Effect of Promotion on Customer Loyalty**

Based on the findings, it shows that promotion has a significant positive effect on customer loyalty. This means that the more intensive the promotion carried out by the Muslim clothing store, the stronger the resulting customer loyalty will be. These results are in accordance with the empirical evidence produced by (Saputra & Mahaputra, 2022). In the marketing mix strategy, promotion is one of the important elements for companies to survive. Proven by (Mbete & Tanamal, 2020) Effective communication between brands and their customers has a positive effect on customer loyalty. It implies that good communication can help increase customer loyalty, but not all promotional activities are effective. Small changes in satisfaction can lead to substantial changes in increased loyalty. This is reinforced by the results of research from (Saputra & Mahaputra, 2022) which found that product quality has a positive and significant effect on customer loyalty.

#### **The effect of customer satisfaction on customer loyalty**

Based on the findings, it shows that customer satisfaction has a significant positive effect on customer loyalty. This means that the stronger the customer satisfaction in the Muslim clothing store, the stronger the resulting customer loyalty will be. This result is in accordance with the empirical evidence produced is also confirms that customer satisfaction has a significant effect on customer loyalty. Customer satisfaction has a positive impact on customer loyalty. Customer satisfaction is a very important factor to ensure customer loyalty to a product or service from a company. Therefore, satisfaction has a major effect on consumer loyalty to a product or service (Balinado et al., 2021). This is reinforced by the results of research from (Yusnara & Soepatini, 2023) which found that customer satisfaction has a positive and significant effect on customer loyalty.

#### **Customer satisfaction mediates the relationship between product quality, price, and promotion on customer loyalty.**

Based on the findings, it shows that customer satisfaction is able to mediate the relationship between product quality and promotion to customer loyalty, but customer satisfaction is not able to mediate the price relationship to customer loyalty. Customer loyalty is a consumer commitment to a brand, store or supplier defined as a customer commitment based on positive traits in long-term purchases. This understanding implies that a combination of customer satisfaction and customer complaints results in brand loyalty (Fetais et al., 2022). Promotion plays a role in disseminating information, influencing or persuading, and or reminding the target market of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company. Promotional activities consist of all kinds of incentive tools, and most of them are short-term goals. These results are in accordance with the empirical evidence produced according to (Atqiyya Baroroh, 2022) showing that price is not able to be mediated by customer satisfaction on customer loyalty, but product quality and promotion are able to be mediated by customer satisfaction on customer loyalty.

## **5. CONCLUSIONS**

Based on the findings conducted, it shows that product quality has a significant positive effect on customer satisfaction. This means that the better the quality of the products provided by the Muslim fashion store, the stronger the resulting satisfaction will be. Based on the findings conducted, it shows that product prices have a significant positive effect on customer satisfaction. This means that the better the price given by the Muslim fashion store, the stronger the resulting satisfaction. promotion has a significant positive effect on customer satisfaction. This means that the more intensive the

promotion carried out by the Muslim fashion store, the stronger the resulting satisfaction will be. the higher the price given by the Muslim fashion store, the stronger the resulting customer loyalty will be. Price also has a positive and significant effect on customer loyalty. Based on the findings, it shows that promotion has a significant positive effect on customer loyalty. This means that the more intensive the promotion carried out by the Muslim fashion store, the stronger the resulting customer loyalty will be. Based on the findings conducted, it shows that customer satisfaction has a significant positive effect on customer loyalty. This means that the stronger customer satisfaction in Muslim fashion stores, the stronger the resulting customer loyalty will be. Based on the findings conducted, it shows that customer satisfaction is able to mediate the relationship between product quality and promotion to customer loyalty, but customer satisfaction is not able to mediate the price relationship to customer loyalty.

## REFERENCES

- Abbes, I., Hallem, Y., & Taga, N. (2020). Second-hand shopping and brand loyalty: The role of online collaborative redistribution platforms. *Journal of Retailing and Consumer Services*, 52. <https://doi.org/10.1016/j.jretconser.2019.101885>
- Acelian, R. M., & Basri, H. A. (2021). Analysis of Sales Promotion, Perceived Ease of Use and Security on Consumer Decisions to Use DANA Digital Wallet. In *International Journal of Innovative Science and Research Technology* (Vol. 6, Issue 1). [www.ijisrt.com](http://www.ijisrt.com)
- Aji, N. S., Djawahir, A. H., & Rofiq, A. (2019). The Influence Of Products And Promotions On Purchasing Decisions Mediated In Purchase Motivation. *Jurnal Aplikasi Manajemen*, 17(1), 152–161. <https://doi.org/10.21776/ub.jam.2019.017.01.17>
- Albari, A. (2019). *The Influence of Product Quality, Service Quality and Price on Customer Satisfaction and Loyalty*. <https://www.researchgate.net/publication/339796640>
- Atqiyya Baroroh, R. (2022). The Effect Of Price, Product, And Flash Sale On Repurchase Decision With Customer Satisfaction As Moderation On Tiktokshop Features Oleh. *Jurnal Ekonomi Dan Bisnis*, 11(1). [www.apjii.or.id](http://www.apjii.or.id)
- Aura Febriani, R., Sholahuddin, M., & Kuswati, R. (2022). *Journal of Business and Management Studies Do Artificial Intelligence and Digital Marketing Impact Purchase Intention Mediated by Perceived Value?* <https://doi.org/10.32996/jbms>
- Balinado, J. R., Prasetyo, Y. T., Young, M. N., Persada, S. F., Miraja, B. A., & Perwira Redi, A. A. N. (2021). The effect of service quality on customer satisfaction in an automotive after-sales service. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(2). <https://doi.org/10.3390/joitmc7020116>
- Bougie, R., & Sekaran, U. (2017). *Metode Penelitian Untuk Bisnis: Pendekatan Pengembangan-Keahlian* (ke 6). Alfabeta.
- Budyanto, E. (2018). Pengaruh Persepsi Harga, Diskon Harga, Dan Kualitas Pelayanan Terhadap Kepuasan Konsumen Pada Giant Supermaret Rungkut Surabaya. *Ekonomi*, 03(01), 36–46.
- De, H., Carvalho, F., De Sousa Saldanha, E., & Amaral, A. M. (2020). The Mediation Effects of Customer Satisfaction on the Relations Between Product Price, Service Quality and Purchasing Decision. In *Journal of Business and Management* (Vol. 2, Issue 1).
- Dewi, M. P. (2020). Pengaruh Persepsi Harga dan Kualitas Pelayanan terhadap Loyalitas Pelanggan Dimediasi Kepuasan Konsumen Pada RM. Wongsolo Malang. *Iqtishoduna*, 16(2), 167–190. <https://doi.org/10.18860/iq.v16i2.9242>
- Febrianti, B., Kussudyarsana, K., & Maimun, M. H. (2022). *The Effect of Social Media, Packaging, and Product Quality on MSME Sales Performance*.
- Fetais, A. H., Algharabat, R. S., Aljafari, A., & Rana, N. P. (2022). Do Social Media Marketing Activities Improve Brand Loyalty? An Empirical Study on Luxury Fashion Brands. *Information Systems Frontiers*. <https://doi.org/10.1007/s10796-022-10264-7>
- Halim, M., & Munawir, H. (n.d.). *Benefit: Jurnal Manajemen dan Bisnis Peran Karakteristik Kewirausahaan Islam dan Modal Sosial Islam Untuk Resiliensi UMKM*. 7(1), 93–100.
- Hamdani, M. (2022). *The Effect of Selling Prices and Discounts on Purchasing Power and Customer Loyalty (Marketing Management Review Literature)*. 4(1). <https://doi.org/10.31933/dijdbm.v4i1>

- Indriana, A., Sholahuddin, M., & Kuswati, R. (2022). *Journal of Business and Management Studies The Impact of e-WOM and Celebrity Endorser on Purchase Intention Mediated by Brand Image: A Study on Halal Cosmetic Products*. <https://doi.org/10.32996/jbms>
- Jonathan, N., Wicaksono, S., & Sutanto, J. E. (2022). The Impact Of Product Variation, Product Quality, And Service Quality On Purchase Decision Of Ko-Kopian Products. *Business and Accounting Research (IJEBAR) Peer Reviewed-International Journal*, 6. <https://blorakab.bps.go.id/indicator/52/103/2/laju-pertumbuhan-pdrb-menurut-lapangan>
- Kasmad. (2022). Analisis of Purchase Decision Estimates Based on Store Atmosphere and Affordable Prices. In *AKADEMIK: Jurnal Mahasiswa Ekonomi & Bisnis* (Vol. 2, Issue 1).
- Leonardi, F., & Djakasaputra, A. (2022). An Explanatory and Predictive PLS-SEM approach to the Relationship between Product Involvement, Price and Brand Loyalty. *Journal Of Information Systems And Management*, 1(4). <https://jisma.org>
- Lie, D., Sudirman, A., Efendi, E., & Butarbutar, M. (2019). Analysis of mediation effect of consumer satisfaction on the effect of service quality, price and consumer trust on consumer loyalty. *International Journal of Scientific and Technology Research*, 8(8), 421–428.
- Mbete, G. S., & Tanamal, R. (2020). Effect of Easiness, Service Quality, Price, Trust of Quality of Information, and Brand Image of Consumer Purchase Decision on Shopee Online Purchase. *Jurnal Informatika Universitas Pamulang*, 5(2), 100. <https://doi.org/10.32493/informatika.v5i2.4946>
- Oktandani, N. A., & Sholahuddin, M. (2023). Covid-19 Pandemic: The Impact of Product Diversity, Price, Word of Mouth, and Purchase Intention on Impulse Buying Tendency. *Jurnal Informatika Ekonomi Bisnis*, 514–521. <https://doi.org/10.37034/infec.v5i2.253>
- Piarna, R., Fathurohman, F., & Purnawan, N. N. (2020). Understanding online shopping adoption: The unified theory of acceptance and the use of technology with perceived risk in millennial consumers context. *JEMA: Jurnal Ilmiah Bidang Akuntansi Dan Manajemen*, 17(1), 51. <https://doi.org/10.31106/jema.v17i1.5050>
- Prasetyo, W. E. (2022). Analisis Strategi Produk Kecantikan Viral Menggunakan Integrasi Product Life Cycle dan Analisis SWOT. In *Jurnal Manajemen Daya Saing* (Vol. 24, Issue 2).
- Sabita, R., & Mardalis, A. (2023). Do celebrity endorsement, halal label, and Word of Mouth affect Millennials to purchase skincare? *Ahmad Mardalis Journal of Enterprise and Development (JED)*, 5(2), 2023.
- Saputra, F., & Mahaputra, R. (2022). *Relationship of Purchase Interest, Price and Purchase Decisions to IMEI Policy (Literature Review Study)*. 2(2). <https://doi.org/10.38035/jlph.v2i2>
- Saridewi, D. O., & Nugroho, R. H. (2022). Pengaruh Citra Merek, Harga, Dan Kualitas Produk Terhadap Loyalitas Melalui Kepuasan Konsumen Sebagai Variabel Intervening. *Al-Kharaj : Jurnal Ekonomi, Keuangan & Bisnis Syariah*, 4(6), 1722–1738. <https://doi.org/10.47467/alkharaj.v4i6.1072>
- Sekaran, U., & Bougie, R. (2016). pdf Research Methods For Business : A Skill-Building Approach. In *Sekaran dan Bougie* (6th ed.). Alfabeta.
- Setiawan, P. A., & Rastini, N. M. (n.d.). The Effect of Product Quality, Service Quality, and Atmosphere Stores on Customer Satisfaction and Its Impact on Repurchase Intention. In *American Journal of Humanities and Social Sciences Research* (Issue 5). [www.ajhssr.com](http://www.ajhssr.com)
- Sholahuddin, M. (2016). *The Role of Muslim in Developing of Islamic Economy in Indonesia*.
- Suastini, I. A. K. S., & Mandala, K. (2018). Pengaruh Persepsi Harga, Promosi Penjualan, Dan Citra Merek Terhadap Kepuasan Untuk Meningkatkan Loyalitas Pelanggan. *E-Jurnal Manajemen Universitas Udayana*, 8(1), 84. <https://doi.org/10.24843/ejmunud.2019.v08.i01.p04>
- Suci Wahyuni, R., Abrilia Setyawati, H., & Putra Bangsa, S. (2020). Pengaruh Sales Promotion, Hedonic Shopping Motivation dan Shopping Lifestyle Terhadap Impulse Buying pada E-Commerce Shopee. In *Jurnal Ilmiah Mahasiswa Manajemen* (Vol. 2, Issue 2). <http://journal.stieputrabangsa.ac.id/index.php/jimmba/index>
- Sugiyono. (2020). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta, CV.
- Surapati, U., & Mahsyar, S. (2020). Relationship Between Consumer Behavior, Discounts And Purchase Decision. *Business and Accounting Research (IJEBAR) Peer Reviewed-International Journal*, 4. <https://jurnal.stie-aas.ac.id/index.php/IJEBAR>

- Surya, A. P., & Kurniawan, A. (n.d.). The Effect Of Product Quality And Perceived Price On Customer Satisfaction And Loyalty: Study On Halal Cosmetic Products In Indonesia. *International Journal of Economics, Business and Management Research*, 5(04), 2021. [www.ijebmr.com](http://www.ijebmr.com)
- Tjiptono, F. (2012). *Strategi Pemasaran* (3rd ed.). Andi Offset.
- Wahyoedi, S., Saparso, S., Tecoalu, M., & Winoto Tj, H. (2021). The Effect of Service Quality, Learning Quality, and Promotion Strategy on Parents' Decisions in Choosing ABC Primary Schools. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(1), 999–1005. <https://doi.org/10.33258/birci.v4i1.1701>
- Wajdi, Mf., Mangifera, L., Isa, M., Studi Manajemen Fakultas Ekonomi dan Bisnis, P., & Muhammadiyah Surakarta, U. (2020). *Strategi Penguatan Inkubator Bisnis Dalam Pengembangan Usaha Kecil Dan Menengah* (Vol. 22, Issue 2).
- Wantara, P., & Tambrin, M. (2019). ITHJ International Tourism and Hospitality Journal The Effect of Price and Product Quality Towards Customer Satisfaction and Customer Loyalty on Madura Batik. *International Tourism and Hospitality Journal*, 2(1), 1–9.
- Wolter, J., Branch, M., Wiharso, G., Prasetyo, J. H., Prakoso, B. S., & Fabrianto, L. (2022). *The Effect Of Mobile Banking Product Quality On Customer Satisfaction Of Indonesian Sharia Bank* (Vol. 3, Issue 2). <http://matriks.greenvest.co.id>
- Yusnara, R. I., & Soepatini, S. (2023). Utilitarian, hedonic, and social values on e-commerce customer loyalty: mediating role of customer satisfaction. *Journal of Enterprise and Development (JED)*, 5(2), 2023.