

## **The Effect of Brand Image, Packaging, Location, and Service Quality on Customer Satisfaction in Raihan Bakery and Cake Shop Products**

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### **Abstract**

The research aims to determine the effect of brand, packaging, location, and service quality on customer satisfaction in bakery and cake shop products. This type of research is quantitative research, the population in this study is a sample of 100 people. Data analysis techniques in this study used multiple regression data analysis and hypothesis testing. The results of this study are Brand Image, packaging has a positive and significant effect on customer satisfaction in Raihan bakery cake and Shop, location has a positive and significant effect on customer satisfaction in Raihan bakery cake and Shop, service quality has a positive and significant effect on customer satisfaction in Raihan bakery cake and shop, and packaging, location and service quality have a positive and significant effect on customer satisfaction in Raihan bakery cake and shop

**Keywords:** Brand Image, Packaging, Location, and Service Quality



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### **INTRODUCTION**

The role of the customer is very important in the company, so every company will make various efforts and compete to explore the best potential to be presented to customers, but many companies face difficulties in making their customers loyal and not switching to other company products or services, given the high customer satisfaction (I. L. Nasib, 2021). given by the company is a separate value from the customer, the company should know exactly who the customer is and must know exactly what to do/give to the customer so that in the end the customer will make a major contribution to the company's business (Banuari, 2023).

Customer satisfaction is a benchmark that will determine how well the company's products or services meet customer expectations (Khairani, 2023). Customer satisfaction shows the level at which the needs, desires, and expectations of customers can be fulfilled which will result in repeat purchases or continued loyalty (Band, 1991) The most important factor for creating customer satisfaction is the performance of the agent which is usually defined by the quality of the agent (Minor, 2012) Quality service products have an important role in shaping customer satisfaction (Kotler & Armstrong, 2012). The higher the quality of the products and services provided, the higher the satisfaction felt by customers. When customer satisfaction is higher, it can generate benefits for the business entity or organization providing the service (Lestari, 2019).

If the company can make customers satisfied, they will voluntarily continue to make purchases. Vice versa if the customer feels disappointed, the effect will result in the customer moving to another competitor. The level of satisfaction is a function of the difference between perceived performance and expectations (Keller, 2016) Thus, customer expectations are the background of why two organizations in the same type of business can be assessed differently by their customers. In the context of customer satisfaction, generally, expectations are estimates or beliefs of customers about what they will receive.

With the urgency of the company in creating employee satisfaction. Therefore, many companies are starting to think of effective strategies that can attract consumers to buy

products and maintain customer presence. Various ways are used by companies to attract consumers, the existence of a brand provides an experience that consumers will feel about a product. Which then creates an attitude or behavior towards the brand in question. Either behavior accepts or rejects. Brand image will form consumer perceptions about the company's brand based on their interaction experience with the product. (Lane, 2013) reveals that brand image is a consumer response to a brand based on the good and bad of the brand that consumers remember. Brand image is a belief that is formed in the minds of consumers about product objects that they have experienced so that if the brand fails to give a positive impression, this will have an impact that threatens the company in the future.

Packaging has also become an important part of work. Currently, the packaging of a product also determines whether the product is qualified or not (Daulay, 2022). Today's customers don't just buy goods or services. They also purchase the benefits of goods and services that can provide, and serve the value-generating process and find customer solutions for them (Gronroos, 2017) . The consequence is that the traditional packaging perspective needs to be broadened and not limited to just boxes, bottles, or jars but examining how packaging can contribute to increasing perceived quality and customer value (Sari, 2020). So that the presence of packaging on a product can no longer be underestimated in increasing customer satisfaction. on customers (A. F. Nasib, 2019).

In line with that, the existence of a location where business activities are carried out is expected to meet the expectations of entrepreneurs to attract consumers to gain profits and vice versa if there is an error in choosing a location it will hamper business performance and automatically the maximum profit will not be felt by the entrepreneur (Chaniago, 2018). Thus, choosing a business location that is close to the target market and the availability of adequate infrastructure is a strategy that can also make it easier for consumers to get the product/service they want. Location selection is very important because it relates to the size of operating costs, prices, and competitiveness (Nasib, 2019). According to (Munawaroh, 2013), location determination has several objectives according to the type of business to be carried out. For industry, to minimize costs, for retail and professional services to maximize revenue, and for warehouse locations to maximize speed delivery and minimum costs. For this reason, the accuracy of location selection is one of the factors that determine the success of a business or will have the opposite impact, will fail.

In addition, customer satisfaction is also created when a business that is managed has high service quality that will meet customer needs. The concept of service quality can be understood through "consumer behavior" (consumer behavior), namely the behavior played by consumers in searching, buying, using, and evaluating a service product that is expected to be able to meet their needs. Consumers' decisions to consume or not consume an item/service are influenced by various factors, including their perception of service quality. This shows that there is a strong interaction between customer satisfaction and service quality (Pasolong, 2020) . At present, given the increasingly fierce competition in business, service quality will be the differentiator that customers will look for. Thus customer satisfaction will be the center of attention and it will be interesting to conduct studies for business people to determine what kind of business strategy will be made regarding the efforts that will be carried out to achieve success in satisfying customer needs.

## **RESEARCH METHODS**

This research uses a quantitative approach in which this approach produces findings that can be achieved (obtained) using statistical procedures, or other methods that focus on symptoms that have certain characteristics in human life which he calls variables. (Sujarweni, 2019) In a quantitative approach, the nature of the relationship between variables is analyzed

using an objective theory. The sample used amounted to 100 and the samples were all customers who used to buy at the Medan Bakery Shop. The sampling technique used is purposive sampling, which is a sampling technique with certain considerations according to the desired characteristics. This sampling technique is based on certain criteria from a specific goal that was previously set by the researcher, subjects who meet these criteria become members of the sample, (Setiawan Ari, 2020)

### **Classic Assumption Test**

The researcher conducted a classic assumption test which included a normality test, multicollinearity test, and heteroscedasticity test. According To (Setiawan Ari, 2020)

1. Normality Test. Ensure testing for normality, it can be done in three ways, namely Kolmogorov-Smirnov, using histogram charts, and normal probability plots.
2. Multicollinearity test. the multicollinearity test is a test used to determine whether there is a significant correlation between two or more independent variables studied. If there is a high correlation in the independent variables, it can be concluded that the variables measured are the same, so they are not suitable for determining the contribution jointly or partially to the dependent variable.
3. Heteroscedasticity Test. The heteroscedasticity test was carried out to test whether error variance of homogeneous or non-homogeneous variables. Detection can be done using a graph. If on the graph there are points that spread, and there is no pattern in the data, then it is concluded that there is no heteroscedasticity and vice versa.

### **Data Analysis Method**

The data analysis method used is multiple regression analysis which aims to determine the brand image, packaging, location, and service quality on customer satisfaction. In addition, this regression analysis is also used to test the truth of the hypotheses proposed in this study, the model of which is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Y : customer satisfaction

X1 : brand image

X2 : packaging

X3 : location

X4 : Service Quality

B : coefficient

A : constant

## **RESEARCH RESULTS AND DISCUSSION**

### **Classical Assumption Test Results from Multicollinearity Test**

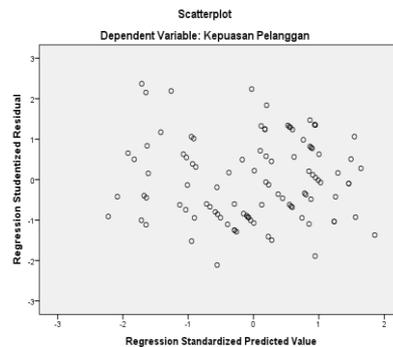
Table 1 shows that the VIF value Brand image, packaging, service quality, location is <10 and the tolerance value is > 0.1. So it can be concluded that there is no multicollinearity between variables

**Table 1. Test Multicollinearity Test**

Collinearity Statistics	
Tolerance	VIF
.803	1.245
.531	1.884
.699	1.431
.569	1.756

**Heteroscedasticity Test**

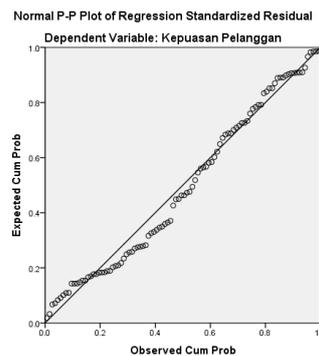
From Figure 1 below it can be seen that the dots are spread out and do not form a clear pattern. So it can be concluded that there is no heteroscedasticity in the regression model



**Figure 1. Heteroscedasticity Test**

**Normality test**

The normality test in this study was carried out using the Normal Probability Plot and then strengthened by the Kolmogorov-Smirnov test



**Figure 2 Normality**

Test with Normal Probability Plot Figure 2 shows that the points converge around a straight line. Furthermore, the results of the Kolmogorov-Smirnov test showed a significance value of  $> 0.05$  ( $\alpha = 5$ ). So it can be concluded that the residuals of the regression model are normally distributed.

**Multiple Regression Analysis**

Multiple linear regression analysis was carried out to determine the effect of social media Brand Image (X1), Packaging (X2), Location (X3), Service Quality on the Customer Satisfaction (Y). The following is a table of multiple linear regression test results:

**Table 2. Equation of Multiple Linear Regression Results**

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	1.892	2.276		.831	.408
	Brand image	-.010	.091	-.007	-.106	.916
	Packaging	.783	.076	.785	10.318	.000
	Service quality	.112	.087	.085	1.285	.202
	Location	.025	.071	.026	.359	.720

a. Dependent Variable: Customer Satisfaction

Based on the results of multiple linear regression calculations, it can be concluded that the regression equation is:  $Y = 1.892 - .010 (X_1) + 0.783 (X_2) + 0.112 (X_3) + 0.025 (X_4) + e$

**Table 3. Coefficient of Determination**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.842 <sup>a</sup>	.708	.696	1.57651	2.083
a. Predictors: (Constant), Location, Brand Image, Service Quality, Packaging					
b. Dependent Variable: Customer Satisfaction					

Based on Table 2 the regression model has a coefficient of determination (Adjusted R<sup>2</sup>) of 0.696. It can be concluded that the contribution of independent variables consisting of brand image media variables (X<sub>1</sub>), packaging (X<sub>2</sub>), service quality (x<sub>3</sub>), and location (x<sub>4</sub>), can affect the dependent variable customer satisfaction (Y) to 69.6% and the remaining 30.4% is influenced by other factors not discussed in this study.

**Table 4. Simultaneous F/T Test Results**

ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	572.930	4	143.232	57.630	.000 <sup>b</sup>
	Residual	236.110	95	2.485		
	Total	809.040	99			
a. Dependent Variable: Customer Satisfaction						
b. Predictors: (Constant), Location, Brand Image, Service Quality, Packaging						

Based on Table 3, it is known that the calculated f value is 57.630 with a significance level of 0.000, the calculated f value will be compared with f table. The value of f table at the error rate  $\alpha = 5\%$  with degrees of freedom (df) = (n-k): (k-1). The number of samples (n) is 100, and the number of research variables (k) is 5. So  $df = (100-5) : (5-1)$ , so that at a customer satisfaction level of 95% ( $\alpha = 5\%$ ) is 2.31. So  $f_{count} > f_{table}$  ( $57.630 > 2.314$ ) and a significance level of 0.000 is less than 0.05 ( $0.000 < 0.05$ ), then H<sub>5</sub> is accepted meaning that all independent variables (brand image, packaging, service quality, and location) significantly together have a significant effect on the dependent variable (customer satisfaction).

## Discussion

### Effect of Brand Image on Customer Satisfaction

The results of this study show similarities with the research of (Bech Larsen, 2010) where the relationship between Brand Image, Satisfaction, Brand Identification, and Brand Love. Previous studies considered customer satisfaction and brand identification as antecedents of brand love. There are several other studies in terms of customer satisfaction and love for the brand in general, stating that consumer satisfaction leads to love for the brand, and at the same time (Roy, Sanjit K, 2013) show that love for the brand leads to customer satisfaction, but in Regarding the specific relationship between customer satisfaction and brand love, in another study, (Bulik & Blake, 2019) confirmed that there is a strong relationship between customer satisfaction and brand love, finding a positive and significant effect of customer satisfaction on brand love.

### The Effect of Packaging on Customer Satisfaction

This study has similarities with the findings of (Hasani, 2015), (Ahmed, 2014), (Hess, Jeffrey S; Singh, Jay; Metcalf, Lynn E; Danes, 2014) (Mousavi & Jahromi, 2014), (Gilaninia, 2013) and (M. Deliya, Mr. Mitul; J. Parmar, 2012). The results of other studies show clearly that the

impact of packaging on customer loyalty is simpler than the other variables. Due to the different generations, there is a concern for consumers in experiencing and continuing to consume new products. Note that the age group of 20-29 years was the most responsive in filling out the questionnaire.

### **Effect of Location on Customer Satisfaction**

Previous research also shows similarities, (Moha, Sartika; Loindong, 2016) where the relationship between location and customer satisfaction emphasized that location has a close relationship with customer satisfaction because a strategic location will allow customers to analyze, a good location to attract consumers. This study shows that there is a significant influence between customer satisfaction on the location of Lion Air aircraft customers at Ahmad Yani Airport seen from sig 0.000 Other Research Findings Location Has a Positive and Significant Influence on Customer Satisfaction with Lion Air Airline Customers at the Airport, (Salim, M. Afif; Soliha, Euis; Siswanto, 2020)

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

The results of this study are in line with the research of (Ferreira, Cornelia F. da Costa; Djo, Mesis Kana; Freitas, Jorge Ribeiro; Abi, 2021) which shows that service quality has a positive and significant effect on student satisfaction. In this study, service quality is more focused on serving students on time, lecturers teaching well according to their role, the academic department consistently serves students well and students feel comfortable with the learning environment. That is why there is a positive impact on student satisfaction with facilities, tuition fees, services, and a no-discrimination policy. This shows that students place more emphasis on intangible parts as the first choice to increase their satisfaction compared to tangible parts such as facilities and equipment. This research confirms previous studies which show that service quality has a significant effect on customer satisfaction (Keshavarz & Jamshidi, 2018) (Borishade, T. T; Ogunnaike, O; Dirisu, J. F; Onochie, 2015).

### **Simultaneous Influence of Brand Image, Packaging, Location, and Quality of Service on Customer Satisfaction**

This research is in line with the research. There is an influence of brand image, service quality, and price as well as customer satisfaction simultaneously on customer loyalty of PT strait liner express Brand Image, Service Quality, and Price together can be used as a benchmark for customer loyalty, so this research simultaneously answers the hypothesis study. According (Thaichon & Quach, 2015) , customers form expectations about the value and satisfaction that various markets will provide.

### **CONCLUSION**

Partially each variable in this study Brand Image, Packaging, Location, And Service Quality where a fairly strong Brand Image, attractive and innovative packaging for the product is accompanied by a store location that is in a strategic and easily accessible place and good service quality very good at Raihan Bakery And Cake Shop products can influence customer satisfaction. Simultaneously the variables in this study Brand Image, Packaging, Location, And Quality Of Service together can influence customer satisfaction.

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