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CUSTOMER SATISFACTION FROM PRICE AND PRODUCT QUALITY ASPECT
(Case Study on Retail Traders in Daya Grocery Stores)

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Abstract

This study aims to determine the effect of price and product quality on consumer satisfaction at wholesalers of Daya Wholesale Market stores partially or simultaneously. The type of research used in this study is causal associative research because it analyzes causal relationships. The results showed that price and product quality had a significant effect on consumer satisfaction who shopped at the retail merchants of Pasar Daya Wholesale stores either partially or simultaneously.

Keywords: *price; product quality; satisfaction.*

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INTRODUCTION

Modern Daya Wholesale Market is located in a very strategic location on Jl. Kapasa Raya, Daya, Biringkanaya, Makassar right in front of Daya Regional Terminal so it is very easy to reach by the community. In addition, this road also leads to the Makassar Industrial Estate (KIMA). In addition to easy access to the location, it is also close to Hasanuddin Airport and Daya General Hospital. Makassar City is a city located in South Sulawesi and also the capital of South Sulawesi province. Makassar City acts as a center of trade and services, a center of industrial activities, a center of government activities, a node of goods and passenger transportation services both land, sea and air and a center for education and health services. Makassar City trade is relatively developed, business centers from traditional markets, wholesale markets to modern malls are growing rapidly. Therefore, markets in the city of Makassar must design a strong marketing strategy in order to create satisfaction for consumers and survive in business competition. Especially wholesale markets including Daya wholesale market.

The power wholesale market is very strategically located and traversed by many transportation in various regions. So many people come and buy their household needs at the market. Unlimited human needs make us think about how to solve this problem by meeting various kinds of human needs. Understanding consumer behavior is certainly not easy, because consumers have different properties as from unlimited human needs besides being influenced by other external and internal conditions. Because before carrying out the transaction process, consumers pay more attention to the price and quality of the products sold in the market.

Price is one that affects consumer satisfaction. Because price is the cost incurred by consumers to get a satisfactory result. According to Latiep (2020) price is a number of values that consumers exchange for benefits from owning or users of products or services whose value is set by buyers and sellers through bargaining, or set set by sellers for one price equal to buyers (Aswar et al., 2020). While product quality is something that is very concerned by consumers, consumers always want the best product. Product quality is the ability of a product to perform its functions which include durability, reliability, precision, ease, operation and repair and other attributes(Fatma et al., 2021).

When a product has been able to carry out its functions, it can be said to be a product that has good quality. Product quality is the overall goods and services related to consumer desires that are superior products that are worth selling according to the expectations of customers(Finatri et al., 2020). Therefore, retail traders are expected to continue to improve the quality of the products they sell so that consumers are satisfied with the quality of products offered by retail traders. Retail traders or also called retailers, sell commodity products directly to consumers in little by little or in units(Putri et al., 2022).

Consumer satisfaction is always a must to be considered by every retail trader, especially in the Daya wholesale market in carrying out its business activities. Today, many retail merchants increasingly understand the importance of consumer satisfaction and develop strategies to provide satisfaction for their consumers(Herison et al., 2022). Consumer satisfaction will provide benefits for retail merchants by maintaining and providing satisfaction to consumers then they tend to repurchase goods and services that they have consumed. Satisfaction will also encourage positive word-of-mouth communication. Communication delivered by satisfied consumers can be in the form of recommendations to other potential customers and saying good things about the company (Naninsih & Hardiyono, 2019).

METHODOLOGY

The type of research used in this study is causal associative research because it analyzes causal relationships. The approach used in this study is a quantitative approach. This research was conducted at Daya wholesale market located in Daya

Modern Wholesale Traditional Market Complex (Jl. Kima Raya), Makassar. The study was conducted from March to April 20 23.

Population is a generalization area consisting of objects / subjects that have certain quantities and characteristics that are determined by researchers to be studied and then drawn conclusions (Sugiyono, 2017). Referring to the explanation of the population, the sample in this study is consumers who shop at retail merchants, wholesale market stores, Daya which amounts to as many as 100 respondents who are consumers.

RESULTS AND DISCUSSION

Test T (Partial)

The practical T test is used to determine the effect of each dependent variable (price and product quality) on the independent variable (consumer satisfaction). There are two indicators to test the hypothesis, namely::

If $T_{counts} > t_{the\ table}$ then the hypothesis is accepted or sig < 0.05

If $T_{count} < T_{table}$ then Hypothesis rejected or sig > 0.05

Table 1. Partial T Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	6.495	1.125		5.775	.000
Price	.193	.125	.312	1.545	.126
Product Quality	.622	.148	.849	4.205	.000
a. Dependent Variable: Customer satisfaction					

Source: Processed Primary Data, 2023

Based on the processed data above, it is known that the calculated t value is 1.545 and the table t is 1.985 with the significance (sig) of the price variable is 0.126.Because the sig value of 0.126 < the probability value of 0.005, it can be concluded that the hypothesis regarding price variables affecting consumer satisfaction who shop at retail merchants of the Power Wholesale Market store is rejected.

In the product quality variable, it is known that the calculated t value is 4.205 and the table t is 1.985 with a significance value (sig) = 0.000. Because the significance value is 0.000 < the probability value is 0.005, the hypothesis about product quality has an effect on the satisfaction of shopping at retail stores of Daya Wholesale Market is accepted.

1. F Test (Simultaneous Testing of the Hypothesis)

Before partially discussing the influence between the independent variable and the dependent variable, simultaneous testing is first carried out. This simultaneous test, aims to test or confirm the hypothesis that explains "there is a significant effect between price and product quality together on consumer satisfaction who shop at retail merchants of Daya Wholesale Market stores".

Table 2. Test F

ANOVAª

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	75.258	2	37.629	24.414	.000ᵇ
Residual	149.502	97	1.541		
Total	224.760	99			

a. Dependent Variable: Customer satisfaction

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

Source: Prime Data Processed, 2023

The simultaneous test is shown by the calculation results of the F test which shows a value of 24,414 with a probability level of 0.000 which is below alpha 5%. This means that independent variables (price and product quality) together affect consumer satisfaction. Thus, it can be concluded that there is a significant influence between price variables and product quality on consumer satisfaction received.

1.

2. *Uji Koeffisien Determinasi*

Coefficient of Determination The coefficient of determination (R2) is carried out to determine the appropriateness or accuracy of the relationship between the independent variables and the dependent variable in a regression equation. And the results of the determination test (R2) can be seen in the following table:

Table 3. R square value

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579ª	.335	.321	1.241

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

Source: Processed Primary Data, 2023

Based on the table above, it is known that the magnitude of the correlation value or relationship (R) is 0.579 and explained the percentage of influence of the dependent variable on the independent variable called the coefficient of determination which is the quadrant result of the value of R. the amount of Adjusted R square is 0.321 which contains the understanding that the price and product quality variables have an effect of 32.1% on consumer satisfaction who shop at the retail merchants of the Power Wholesale Market store. While the remaining 67.9% was influenced by other factors that were not studied in this study.

The Effect of Price on Consumer Satisfaction

All questionnaires distributed to respondents have met the requirements for valid and reliable, which means that all of them no longer need to be improved and the questionnaires have met the requirements to be distributed to respondents.

From the results of the tests conducted, it is proven that price has a significant effect on consumer satisfaction at retail merchants of the Power Wholesale Market store, seen by the magnitude of the calculated t value of 1.545 and the significance value of 0.126 (above 0.005). This indicates that price does not affect the satisfaction of consumers who shop at the retail merchants of Daya Wholesale Market stores. Thus, the hypothesis (H_1) that states there is an effect of price on consumer satisfaction is rejected.

This is supported by research conducted by Jessica J. Lezun (2014) entitled The Effect of Product Quality, Price and Promotion on Telkomsel Prepaid Card Customer Satisfaction. Based on the results of the study, it was concluded that price variables negatively affect customer satisfaction.

The effect of product quality on consumer satisfaction

All questionnaires distributed to respondents have met the requirements for valid and reliable, which means that all questionnaires do not need to be improved again and the questionnaires have met the requirements to be distributed to respondents.

From the results of the tests conducted, it is proven that product quality has a significant effect on consumer satisfaction who shop at retail merchants, Power Wholesale Market stores, seen with a large calculated t value of 4,205 and a significance value of 0.000 (below 0.005). This indicates that product quality can increase the satisfaction of consumers who shop at the Daya Wholesale Market retail store. Thus the hypothesis (H_2) which states there is an effect of product quality on consumer satisfaction is accepted.

This research is also in line with research conducted by Gracia Sekartaji (2015) who conducted research on Pak Ndut Solo duck and fried chicken restaurants which stated that product quality has a positive effect on customer satisfaction.

While the test between variables X 1 (price) and X 2 (product quality) against variable Y (consumer satisfaction) together can be explained by the F test (simultaneous test) which shows f count of 24,414 with a significance of 0.000 (below 0.05), this means that the variables X_1 (price) and X 2 (product quality) have a significant effect on variable Y (consumer satisfaction) and hypothesis (H_3) which states that price and product quality have a significant effect on the variable of consumer satisfaction that shopping at retail stores Power Wholesale Market is accepted.

While the test between variables X1 (price) and X2 (product quality) against variable Y (job satisfaction) together can be explained by the F test (simultaneous test) which shows f count of 22,109 with a significance of 0.000 (below 0.05). This means that variable X1 (price) and variable X2 (product quality) have a significant effect on variable Y (consumer satisfaction) and hypothesis (H3) which states that price and

product quality affect consumer satisfaction who shop at retail merchants Daya Wholesale Market stores are accepted.

Based on linear regression data analysis, it is known that the magnitude of the correlation value or relationship (R) between price (X1) and product quality (X2) to consumer satisfaction (Y) is 0.579. The magnitude of the coefficient of determination (Rsquare) is 0.335 which contains the understanding that price and product quality have an effect of 33.5% on consumer satisfaction who shop at retail merchants of Daya Wholesale Market stores. The rest were influenced by other variables that were not studied in this study.

CONCLUSION

Based on the results of data analysis and discussion, it can be concluded that:

1. Price has a significant effect on consumer satisfaction who shop at the Daya Wholesale Market retail store as seen by the t-count value of 1.545 and a significance value of 0.126 (above 0.005), which means that price does not affect consumer satisfaction.

2. Product quality has a significant effect on consumer satisfaction who shop at the Daya Wholesale Market retail store as seen by the t-count value of 4.205 and a significance value of 0.000 (below 0.005), which means that product quality contributes to influencing consumer satisfaction.

3. Simultaneously price and product quality have a significant effect on consumer satisfaction who shop at the Daya Wholesale Market store retailer, the R square value is 0.321, which means that price and product quality have an effect of 32.1% on customer satisfaction shopping at the Market store retailer Power Wholesale.

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