

PROMOTIONAL EFFECTIVENESS AND PRODUCT QUALITY ON CUSTOMER SATISFACTION AT DEKORINDO JAYA FURNITURE GUNUNGSITOLI

Oleh :

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Corresponding email: edwardharefa@unias.ac.id*Article Info***Article history:**Received 16 October 2022**Accepted 25 October 2022**Available Online**30 October 2022***Abstract**

A person may experience either positivity or despondency after assessing a product in light of the expectations the person had for it, which is known as satisfaction. The objective of this research was to investigate, from a multiracial perspective and, at the same time, the impact that Dekorindo Jaya Furniture's marketing efforts and promotional strategies had on the level of contentment experienced by its clientele. This study was carried out in Dekorindo Jaya Furniture, which is located in Gunungsitoli City, North Sumatra. Using the nonprobability sampling method, the number of samples was decided to be 45 respondents, and multiple regression was implemented to analyze the data. According to the findings of the research conducted, it was discovered that advertising and product quality have a favorable and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli, and this holds true for customers of both races concurrently. The findings of this investigation point to the recommendation of analyzing additional policies and tactics for advertising products and product quality to ensure customer satisfaction.

Keywords:*Customer Satisfaction**Promotion**Product Quality***1. INTRODUCTION**

With the advent of globalization, business activities are colored by the intensity of increasingly competitive competition between one business and another (Chikán et al., 2022; Contractor, 2022). Businesses must pay attention to elements associated with their products. If a product meets this requirement, customers will purchase it with satisfaction. A business desires consumers are pleased with the things it manufactures. Therefore, businesses must focus on these factors to ensure that customers are satisfied with their purchases (Oh & Kim, 2017; Suchánek & Králová, 2019). Moreover, the business that produces similar products where business certainly tries their best to be able to meet the needs and desires of consumers, one of which is in the furniture manufacturing business world.

Furniture manufacturing is one of Indonesia's fastest-growing industries (Paulus & Hermanto, 2022). Having wood furniture that

complements the rest of the room's decor and is comfortable enough to use for a variety of purposes is now considered a basic necessity. Globally, furniture has become an integral component of contemporary lifestyles. For many people, furniture signifies their economic position in addition to its function as furniture. The more expensive and exclusive the furniture is, the more prestigious it will be for them. An additional vital role that the furniture sector serves is that of bringing in much-needed monies from overseas in the form of tourists and other enthusiasts. In international trade, Indonesian furniture has maintained a respectable reputation until this point (Ahmad et al., 2020).

Dekorindo Jaya Furniture is one of the popular furniture manufacturing business in Gunungsitoli city. The furniture supplied by Dekorindo Jaya Furniture is categorized as either classical or minimalist in style. Due to the need

for indoor-themed furniture products, Dekorindo Jaya Furniture shifted its production concentration to indoor products. Indoor-type products include bed sets, buffets, dining chairs, cabinets, dining tables, and others that are placed in a room.

According to Zain & Saidu (2016), the factors influencing customer satisfaction are product quality, price and promotion. Promotion is one of the factors that influence customer satisfaction. Promotion is communicating information between sellers and potential buyers or other people to influence attitudes and behavior (Kim et al., 2019; Subramanian et al., 2016). According to (Sinha & Verma, 2020), promotion is a marketing activity in which companies disseminate information, influence or persuade, and remind the target market of the company concerned. The results of research conducted by Lesnussa et al. (2021) and Antara & Rastini (2022) show the effect of promotion on customer satisfaction. Another factor that can affect customer satisfaction is the quality of the products offered by the company. Product quality is the ability of a product to perform its functions, it includes overall durability, reliability, accuracy, ease of operation, and product repair, as well as other product attributes (Liu & Kao, 2022). Research conducted by Engler et al. (2015), Kasiri et al. (2017), and Uzir et al. (2020) showed a positive and significant influence between product quality and customer satisfaction variables.

Based on the background of the study above, the formulation of the problem raised in this study is: How to increase sales of furniture products sold at Dekorindo Jaya Furniture Gunungsitoli. Thus, this study aims to analyze the effect of product quality on buyer satisfaction and to analyze the effect of promotion on purchasing decisions for furniture products sold at Dekorindo Jaya Furniture Gunungsitoli.

2. LITERATURE REVIEW AND DETERMINATION OF HYPOTHESIS

Customer Satisfaction

According to Siswi & Wahyono (2020) and Suharyono & Mifta Elfahmi (2021), customer

satisfaction is defined as the customer's response to the discrepancy between the previous level of importance and the actual performance he feels after use. One of the factors that determine customer satisfaction is the customer's perception of service quality, which focuses on five service dimensions. Customer satisfaction, in addition to being influenced by perceptions of service quality, is also determined by product quality, price, and factors that are personal as well as momentary in nature. The main factor determining customer satisfaction is the customer's perception of service quality according to customer satisfaction.

Promotional Strategy

Promotion is a process needed to carry out marketing activities that can provide information about products and is expected to create a good image for buyers (Lu et al., 2022). A promotional mix is a way to combine several promotional activities that are most effective in increasing sales (Lang et al., 2022). Promotional mix is a combination of promotional tools from human behavior that cannot be separated before making a decision to use and buy goods or services that have economic value (Chaudhuri et al., 2018). So the promotion mix is a marketing process with several combinations to provide information related to products or services offered in increasing company sales. Dolega et al. (2021) stated that the promotional media used can provide information about products, product advertisements that are displayed attractively or creativity from promotions, incessant promotions carried out by companies with their own uniqueness.

Product Quality

According to Purwati et al. (2020) and Taufik et al. (2022) product quality is the ability of a product to carry out its functions, including durability, reliability, accuracy, ease of operation and repair, as well as other valuable attributes. According to Hakim (2021) product quality is the totality of product characteristics which include product performance, product function, product reliability, and so on to satisfy the expected needs and desires of consumers.

There are eight dimensions of product quality proposed by Garvin (1987), namely performance, reliability, features, durability, conformance to specifications, perceived quality, aesthetics, and serviceability. This conceptual model enabled Hoe & Mansori (2018) to reveal insights into the dimensions of product quality that contributed to customer satisfaction, and how a higher level of satisfaction results in greater customer loyalty in the Malaysian engineering industry.

Hyphothesis

Based on the explanation above, the hypothesis used is:

- H1 : Promotion has a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli.
- H2 : Product quality has a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli.
- H3 : Promotion and product quality have a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli.

The theoretical framework of this research is shown in Figure 1.

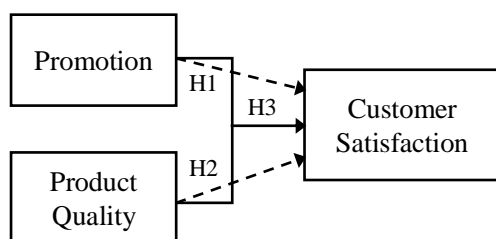


Figure 1. The theoritical framework of research.

3. RESEARCH METHODOLOGY

This research is included in the type of associative research or research that aims to examine the effect of one or more variables (Thomas, 2021). The design of this research was the effect of promotion and product quality on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli. The population in this study were all customers of Dekorindo Jaya Furniture Gunungsitoli and the sample was taken by simple random sampling, as many as 45 people (Thomas, 2021). The methods used to

collect data include observation, interviews, literature study, and distributing questionnaires. The measurement scale used in the questionnaire was a Likert scale with five answer choices consisting of strongly agree answers were given a score of 5, agree answers were given a score of 4, moderately agree answers were given a score of 3, disagreed answers were given a score of 2, and strongly disagree answers were given a score. 1. The data analysis technique used in this study was multiple linear regression analysis which will be carried out using the SPSS 27.0.0 program.

The data analysis technique used descriptive analysis, validity test, and reliability test. Descriptive analysis is an analysis that explaining the relationship or relationship of research data in the form of sentences. Validity test is used to see the feasibility of the questions in the questionnaire so that it can define a variable. The reliability test was carried out simultaneously on all questions with the reliability test method using the alpha-Cronbach method. After the data was declared valid and reliable, then the data was tested using the classical assumption test, namely the multicollinearity test, heteroscedasticity test, normality test, multiple correlation analysis, multiple determination coefficient, partial determination coefficient, then the data was analyzed using multiple linear regression analysis

4. RESULTS AND DISCUSSION

Table 1 shows that all research instruments for promotion variable (X1), product quality variable (X2), and customer satisfaction (Y) are all valid because all research instruments have a Pearson product-moment correlation coefficient (r) > 0.294 with signifance 5%, and the results obtained in Table 2 are also reliable because all research instruments had Cronbach's alpha coefficient (α) more than 0.60 with values 0.9111, 0.803, and 0.837 for promotion variable, product quality variable, and customer satisfaction variable, respectively.

In data analysis, the one-sample Kolmogorov-Smirnov test was used with a significance level of 0.05. The results of this

normality test were assessed by comparing the Asymp. Sig. (2-tailed) values and the level of significance. Asymp Sig. (2-tailed) values for the promotion variable, product quality variable, and customer satisfaction variable were 0.092, 0.077, and 0.063, respectively. It can be concluded that the histogram graph gives a normal distribution pattern. In comparison, the normal plot graph shows the points spread around the diagonal and follow the direction of the diagonal line so that the regression model meets the assumption of normality distribution. Moreover, the tolerance value of each variable was more significant than 0.10, and the variance inflation factor (VIF) value is less than 10, so it can be concluded that there is no multicollinearity or no correlation between the promotion variable and the product quality variable. Furthermore, it is explained that the significance value of each independent variable from promotion and product quality was more than the alpha of 0.05. It can be concluded that there is no heteroscedasticity in the regression model.

Table 1. Validity test results

Variables	Question Items	Correlation Coefficient	Remark
X1	Q1	0.796	Valid
	Q2	0.834	Valid
	Q3	0.945	Valid
	Q4	0.931	Valid
X2	Q1	0.903	Valid
	Q2	0.814	Valid
	Q3	0.846	Valid
Y	Q1	0.816	Valid
	Q2	0.764	Valid
	Q3	0.912	Valid
	Q4	0.707	Valid
	Q5	0.781	Valid

Table 2. Reliability test results

Variables	Cronbach's Alpha	Remark
X1	0.911	Reliable
X2	0.807	Reliable
Y	0.828	Reliable

The further analysis was used to determine the degree of the simultaneous influence between promotion and product

quality on customer satisfaction by multiple linear regression analysis.

Based on the values of α , β_1 , and β_2 , the equation of the multiple linear regression lines between promotion and product quality on customer satisfaction is $Y = 2.168 + 0.267X_1 + 0.778X_2$ and provides information that $\alpha = 2.169$, statistically shows that customer interest will remain at 2.168 with the condition that other variables in this study, namely promotion and product quality are assumed to be equal to zero. The value of $\beta_1 = 0.267$, statistically shows that every time there is an increase in promotion of one unit, it will cause an increase in customer satisfaction of 0.267 on the condition that other variables are assumed to be equal to zero. The value of $\beta_2 = 0.778$, statistically shows that every time there is an increase in product quality by one unit, it will cause an increase in consumer satisfaction by 0.778 with the condition that other variables are assumed to be equal to zero.

Table 3. Multiple linear regression results

Model	Unstandard. Coeff.	Standard. Coeff.	t	Sig.
	B	Std. Error	Beta	
Constant	2.168	1.003		2.171 0.037
X1	0.267	0.099	0.329	2.714 0.011
X2	0.778	0.157	0.567	4.918 0.000

Furthermore, it was found that the coefficient of determination shown from the R^2 value was 0.889, this means that the dependent variable of customer satisfaction can be explained by two independent variables, namely promotion and product quality of 88.90%, while the remaining 0.111 or 11.10% is explained by variables or causes by other reasons outside the research model.

Based on the results of the analysis in Table 3, the t-count value for the promotion variable was 2.714, which is greater than the t-table value of 1.683 with a significance of 0.011 which is smaller than (real level) = 0.05 in the rejection area of H_0 , which means H_0 is rejected, and H_1 is accepted. This means that partial promotion has a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli. Based on the results of

the analysis of Table 3, it was obtained that the *t-count* value for the product quality variable was 4.918 which is greater than the *t-table* value of 1.683 with a significance of 0.000 which is smaller than (significant level) = 0.05 is in the rejection area of H_0 , which means H_0 is rejected and H_2 is accepted. This means that product quality partially has a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli.

In this study, the F-test was used to test the significance of the effect of product quality, promotion, and service quality on consumer satisfaction together (simultaneously). it was also found that the F-test value of 72.182 was greater than the F-table 2.830 with a significance of 0.000 less than (α) = 0.05 in the area of rejection of H_0 , then H_0 is rejected or the alternative hypotheis (H_i) is accepted. This means that it is true that simultaneously there is a positive and significant influence between promotion and product quality on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli

5. CONCLUSION

Based on the data obtained from the analysis, it can be concluded that promotion has a positive and significant effect on customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli. The statement implies that promotions can increase customer satisfaction of Dekorindo Jaya Furniture Gunungsitoli. The results indicate that the better the promotion, the customer satisfaction of Dekorindo Jaya Furniture Gunungsitoli will increase so that a stable and intensive promotion is needed in the future. Product quality positively and significantly affects customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli. The statement implies that product quality can increase customer satisfaction of Dekorindo Jaya Furniture Gunungsitoli because the products sold are of good and good quality. The results indicate that the better and supports the product quality, the higher the customer satisfaction of Dekorindo Jaya Furniture Gunungsitoli so that entrepreneurs still have to maintain the quality of the products sold. Promotion and product quality

have a positive and significant impact on Dekorindo Jaya Furniture Gunungsitoli's customer satisfaction. This finding implies that promotion and product quality together can increase customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli. This indicates that the better and supports the promotion and product quality, the later will increase customer satisfaction at Dekorindo Jaya Furniture Gunungsitoli.

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