

THE EFFECT OF PRODUCT QUALITY AND PRICE ON CUSTOMER SATISFACTION: THE MEDIATING ROLE OF CUSTOMER LOYALTY

Erwinsyah^{1*}, Muhammad Hermanto², Intan Rizki Nuraini Putri³

^{1,2,3} Program Studi Manajemen, Universitas Kutai Kartanegara, Jl. Gunung Kombeng No.27
Kel. Melayu, Kec. Tenggarong, Kalimantan Timur, Indonesia

Correspondence: erwinsyahadvokat@gmail.com^{1*}, Navaroherman8@gmail.com²

Submitted: 18 Agustus 2026 | Accepted: 19 Agustus 2026 | Published: 20 Agustus 2026

Abstract

*This study aims to analyze the influence of the variables under investigation—specifically product quality and price—on customer satisfaction, as well as the role of customer loyalty in moderating the impact of product quality and price on customer satisfaction at Kebab Kota Raja, Tenggarong. The analytical tool employed is SEM-PLS. The study population consisted of 105 respondents; applying purposive sampling based on the criterion of having made more than one purchase resulted in a sample of 83 respondents. The results indicate that product quality has a positive impact on customer satisfaction. Conversely, price was not found to have a positive impact on customer satisfaction. Customer loyalty did not moderate the influence of either product quality or price on customer satisfaction; however, it exerted a direct and significant influence on customer satisfaction, thereby categorizing it as a *quasi-moderator*. The overall research model yielded an R-Square value of 0.712, indicating that the variables in this study explain 71.2% of the variation in customer satisfaction.*

Keywords: Product Quality, Price, Customer Satisfaction, Customer Loyalty, SEM-PLS

INTRODUCTION

With the growing influence of globalization, Indonesia's culinary sector has experienced rapid growth and significant development. A relatively stable economy, shifting lifestyles, and increased population mobility have influenced consumption patterns. These changes indicate that dining is no longer merely about meeting basic needs; it has evolved into an integral part of a more sophisticated lifestyle. In this context, food is consumed not only to satisfy hunger but also to gain an experience that offers satisfaction, comfort, and the social value associated with the culinary product.

One interesting development is the rising popularity of fast food featuring international flavors adapted to local tastes. A prime example is the kebab—a Middle Eastern dish that has become a staple of the modern Indonesian culinary scene. This trend is evident in Tenggarong (often known as *Kota Raja* or the "City of Kings") in the Kutai Kartanegara Regency, East Kalimantan, where the kebab business is flourishing. A notable player in this market is "Kebab Kota Raja," a well-known franchise that has opened four outlets across Kutai Kartanegara. This expansion demonstrates the brand's successful growth and indicates that Kebab Kota Raja is a significant and respected choice among culinary enthusiasts in the region.

Preliminary observations reveal varying consumer perceptions regarding product quality and price among the different kebab businesses in Tenggarong, as illustrated below.

Table 1 Comparison of Product Quality and Price of Kebab Businesses in Tenggarong

No	Business Name	Product Quality	Price
1	Kebab Kota Raja	The flavor profile is quite distinctive and generally well-received by consumers; however, there are instances of inconsistency in flavor and product quality.	Kebab Kota Raja offers its products at highly competitive prices; however, customer reviews indicate that some still feel the price paid is not commensurate with the perceived quality.
2	Bubulae Kebab & Burger	The product's taste quality is consistently maintained, while the menu offers a wide variety of options.	Based on the researcher's observations, many customers feel that the kebab products from Bubulac Kebab and Burger offer good value for money regarding the quality provided.
3	Kebab Turki Abah Rafa	Bold flavor and relatively consistent presentation.	The price is relatively higher than that of other kebab businesses.
4	Ngebab.Idn	The product range is quite varied, with competitive taste quality.	The price is relatively affordable for middle-income consumers.

Source : First Observation, 2025

Although the business is competitive, some customers have reported inconsistencies in product taste and quality at times. Furthermore, some customers feel that the price point does not always align with the perceived quality of the product. This situation indicates a discrepancy between customer expectations and their actual experiences. If this issue is not promptly evaluated and addressed, it could potentially lower customer satisfaction levels and impact long-term customer loyalty.

Despite the significant opportunities for business growth available to Kebab Kota Raja, there are various challenges that require serious attention. Today, consumers tend to be more critical when evaluating aspects such as taste, hygiene, price, and the quality of service they receive. In the culinary business context, two factors have been proven to significantly influence customer satisfaction and loyalty: product quality and pricing strategy. These two factors serve as primary considerations for consumers when evaluating and choosing a culinary business.

Balancing the quality of the product offered with the established price point is a major challenge in the culinary business. Entrepreneurs must set competitive prices without compromising on ingredients or flavor. In today's increasingly transparent market, customers can easily compare prices and quality across brands. Therefore, effectively maintaining quality

while setting reasonable prices is key to success in the culinary business within this era of open competition.

Product quality is a fundamental element determining the success of a culinary venture. Products characterized by unique flavors, consistent taste, hygiene, and appealing presentation create a positive customer experience. Conversely, inconsistencies in taste or presentation can diminish customer satisfaction and potentially drive customers to switch to other brands. Thus, product quality serves not only as a primary selling point but also as a reflection of the business's professionalism and commitment.

On the other hand, price is a crucial element influencing consumer behavior during the product interest phase. Setting a selling price that aligns with the perceived value of a product can foster a sense of fairness and enhance customer satisfaction. Consumers typically evaluate price not merely based on the monetary amount, but also on the benefits and experiences they derive. The discrepancy between the price charged and the quality of the product received is often a primary cause of customer dissatisfaction, which can subsequently significantly impact loyalty levels. Regarding the role of price as a key factor in shaping customer satisfaction, (Virgian Ar Rijqi & Mulyono, 2023) define price as the value of a product expressed in monetary terms, serving as an instrument of exchange in a transaction. According to Kotler dan Armstrong, cite by (Tombeng et al., 2019), price is the monetary amount consumers must pay to acquire a product or service, encompassing the total value sacrificed to obtain the benefits of owning or using that product or service. Furthermore, Febriani & Cipta (2023) state that price represents the amount of money used as a medium of exchange to acquire goods or services, while also serving as an indicator of a product's value from the consumer's perspective.

It can be defined as a form of long-term attachment reflected in a consumer's commitment to consistently use and repurchase a specific product, brand, or service provider. Loyalty is demonstrated not only by the decision to repurchase but also by a customer's willingness to maintain the relationship, recommend the offering to others, and remain loyal despite the availability of alternatives or attractive offers from competitors.

Customer satisfaction levels serve as a key indicator for assessing the operational effectiveness and success of a culinary business. A satisfying consumer experience can drive repeat purchases and increase the likelihood of consumers recommending the product or service to others. Conversely, dissatisfied customers are generally more inclined to share negative experiences, which can adversely affect the brand's image and reputation. Therefore, for culinary business operators, gaining in-depth knowledge of the factors influencing buyer satisfaction is crucial. This view is supported by experts such as diantaranya Zeithaml dan Bitner (2005) cite by Hermawan (2022)— states that customer satisfaction is a positive response to a product or service that arises when an individual derives satisfaction, which in turn influences repeat purchases or repeated consumption of that product or service. Ariyanto Aris et al (2023) note that customer satisfaction becomes evident after consumers use or consume high-quality products or services. Thus, customer satisfaction can be understood as a psychological state that emerges when consumer expectations and needs are met. Tjiptono (2008)—cited by Permana (2024), defines customer satisfaction as an evaluative response that arises after a customer compares pre-purchase expectations with the actual product performance

experienced after use. Satisfaction is achieved when product performance meets or even exceeds customer expectations.

According to experts, customer satisfaction is an individual's emotional response to a product following an evaluation of whether that product or service meets their expectations. When performance meets or exceeds expectations, customers experience satisfaction, which in turn drives repeat purchasing behavior and enhances loyalty toward the product or service.

Research conducted by Halim Salamun¹, Marcus Tukan¹ (2023) indicates that customer loyalty acts as a variable that strengthens the impact of product quality and price on consumer satisfaction levels. Customers demonstrating high levels of loyalty are generally more flexible regarding product changes or price fluctuations, thereby maintaining their satisfaction despite such variations. Conversely, consumers with low loyalty tend to be more sensitive to changes in quality and price, which can potentially lead to a significant decline in their satisfaction.

This study demonstrates that customer loyalty is not merely a subsequent outcome of consumer satisfaction; rather, it serves as a variable that analyzes whether customer loyalty determines the strength of the relationships among product quality, price, and consumer satisfaction. Consequently, loyalty can be classified as a moderating variable that plays a role in reinforcing the connections among the primary variables under investigation.

Based on empirical observations and findings from prior research, further study is warranted to determine the extent of the influence of product quality and price on customer satisfaction, as well as to examine the role of customer loyalty in moderating the link between these variables and consumer satisfaction. Therefore, this study aims to analyze the impact of product quality and price on consumer satisfaction while positioning customer loyalty as a moderating variable within the context of the "Kebab Kota Raja" culinary business in Tenggarong.

METHODS

According to Sugiyono (2017), a sample represents a portion of the population's size and characteristics, and the selected sample must accurately reflect the entire population. To determine the sample size, Slovin's formula is used, applying the following steps:

$$n = \frac{N}{1 + N \times e^2}$$

Keterangan :

n = Jumlah Responden

N = Banyak Populasi

e = tingkat penyimpangan

Sugiyono (2017), as cited by (Siti Rahmah, Nilam Anggar Sari, Heru Suprpto, 2024), In this context, the population refers to the object or subject of the study, from which the researcher selects a subset using a specific method for observation and analysis. In this research, the population consists of customers visiting Kebab Kota Raja in Tenggarong; with an average of 15 customers per day, the weekly total reaches 105 (15 customers $\times$ 7 days). The sampling

method employed is purposive sampling, based on the specific criterion that customers must have made a purchase at Kebab Kota Raja in Tenggaraong more than once.

Based on the collected data, information regarding respondent characteristics—specifically gender, age, and purchase volume—was obtained. The respondent profiles in this study provide an initial overview of the participants' backgrounds, which is useful for understanding the general characteristics of the population under study: Kebab Kota Raja customers in Tenggaraong. The characteristics analyzed include gender, age, and purchase volume. The researchers selected 83 respondents for this study. A more detailed explanation of these respondent characteristics is provided below:

In this study, the target population was gathered over the course of a full week, comprising 105 loyal customers of Kebab Kota Raja. Using a 95% confidence level and a maximum margin of error of 5%, we applied Slovin's formula to determine the sample size, ultimately yielding the following data:

This study utilizes the Structural Equation Modeling (SEM) approach—specifically Partial Least Squares (SEM-PLS) software—as the tool for data analysis. This method is used to examine the structural relationships between product quality and price variables in shaping customer satisfaction, mediated by customer loyalty.

Product Quality (X1) on Customer Satisfaction (Y)

Product quality plays a crucial role in fostering customer loyalty. According to Kotler and Keller (2008), as cited in Febrian (2017), product quality is a key element influencing customers' perceptions of value and their levels of satisfaction. Higher product quality offered by a company directly correlates with increased consumer satisfaction, which ultimately leads to higher company profits. Conversely, low product quality can cause disappointment when the product received fails to meet customer expectations; such situations can result in dissatisfaction and potentially lead to losses for the company. High-quality products tend to enhance customer satisfaction, whereas poor quality may drive consumers to switch to competitors' products. Therefore, product quality shows a significant correlation with the development of consumer loyalty.

Price (X2) on Customer Satisfaction (Y)

Price plays a role in decision-making because customers weigh benefits against costs. If the benefits outweigh the price, they are satisfied—a point noted by Salsabilah (2018) as cited in Dewi & Budiarti (2021). Price influences customer satisfaction because consumers, whether consciously or unconsciously, align their purchasing decisions with their purchasing power (Rosalia and Rahardjo, 2016). This purchasing power subsequently affects the decision to buy a product and the satisfaction derived from that purchase. Various empirical studies examining the link between price and customer satisfaction indicate that price contributes substantially to levels of consumer satisfaction.

Product Quality (X1) on Customer Loyalty (Z)

Previous research conducted by Mutammam et al. (2019), as cited in Sholikhah (2023), indicates that product quality does not significantly influence customer loyalty at the specified significance level. This suggests that consumers do not perceive the products they receive as possessing a distinct advantage over similar offerings from other brands. In other words, product quality has not yet emerged as a strong differentiating factor in the eyes of customers. Consequently, product quality is not the primary driver of customer loyalty, as consumers remain inclined to consider products from other brands that offer similar characteristics.

Price (Y) on Customer Loyalty (Z)

The impact of price on customer loyalty has been examined in a study conducted by Hariono & Marlina (2021). Their findings indicate that price have a positif impact on the level of customer loyalty.

Pricing strategies that prioritize affordability and align with consumer expectations tend to encourage repeat purchases. When consumers perceive the price paid as commensurate with the benefits or quality received, a positive perception of the product's value emerges. Consequently, consumer perception of the value inherent in the offered price plays a crucial role in fostering long-term relationships between the company and its customers, while simultaneously strengthening customer loyalty toward the provided products or services.

This conceptual framework is designed to facilitate the understanding and interpretation of the research's direction and flow. Accordingly, the framework employed in this study can be described as follows:

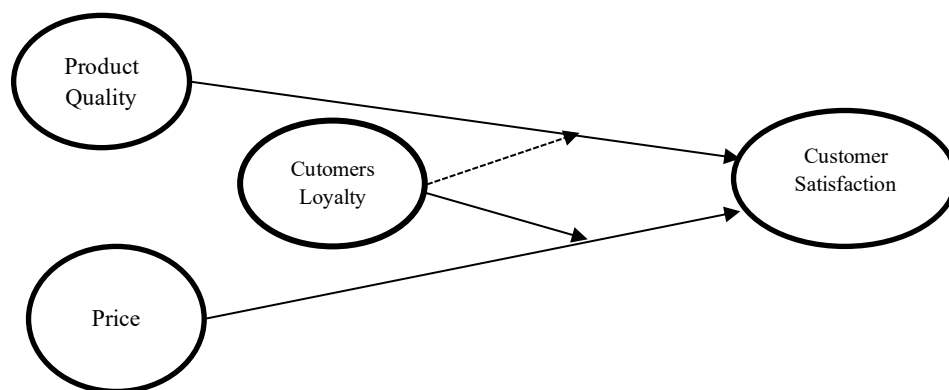


Figure 1. Reseach Framework

Hypotheses

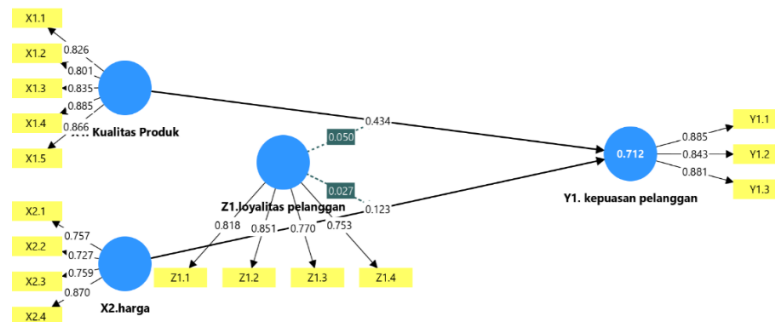
1. Product quality has a positive impact on customer satisfaction;
2. Price has a positive impact on customer satisfaction;
3. Customer loyalty moderates—by strengthening or weakening—the effect of product quality on customer satisfaction;
4. Customer loyalty moderates the effect of price on customer satisfaction.

RESULT AND DISCUSSION

RESULT

Validity Testing via Convergent Validity

An individual reflective indicator is considered valid if its cross-loading or outer loading value against the measured construct is ≥ 0.70 .



Source: Output Smart-PLS, 2026

Figure 2. Diagram PLS Algoritma

Table 2. Outer Loading

Indikator	X1	X2	Y1	Z1	Z1 _x X1	Z1 _x X2
X _{1.1}	0.826					
X _{1.2}	0.801					
X _{1.3}	0.835					
X _{1.4}	0.885					
X _{1.5}	0.866					
X _{2.1}		0.757				
X _{2.2}		0.727				
X _{2.3}		0.759				
X _{2.4}		0.870				
Y _{1.1}			0.885			
Y _{1.2}			0.843			
Y _{1.3}			0.881			
Z _{1.1}				0.818		
Z _{1.2}				0.851		
Z _{1.3}				0.770		

$Z_{1.4}$	0.753	
Z_{1xX_1}	1.000	
Z_{1xX_2}		1.000

Source: Output Smart-PLS, 2026

Information :

X1 : Product Quality (Kualitas Produk)

X2 : Price (Harga)

Y1 : Customers Satisfaction (Kepuasan Pelanggan)

Z1 : Customers Loyalty (Loyalitas Pelanggan)

Z_{1xX_1} : Customers Loyalty x Product Quality

Z_{1xX_2} : Customers Loyalty x Price

Outer Loading : 0,7

Validity Testing via Discriminant Validity

This condition indicates that each latent variable possesses a superior ability to explain the indicators within its own block compared to indicators belonging to other constructs (Ghozali, 2008, cited in Masanu et al., 2023:517). The results of the cross-loading test for discriminant validity using SmartPLS are presented below:

Table 3. Cross Loading

Indikator	X1	X2	Y1	Z1	Z_{1xX_1}	Z_{1xX_2}
$X_{1.1}$	0.826	0.625	0.671	0.553	0.432	0.367
$X_{1.2}$	0.801	0.518	0.555	0.512	0.292	0.351
$X_{1.3}$	0.835	0.535	0.627	0.525	0.399	0.455
$X_{1.4}$	0.885	0.571	0.724	0.518	0.440	0.442
$X_{1.5}$	0.866	0.592	0.646	0.553	0.364	0.364
$X_{2.1}$	0.530	0.757	0.465	0.567	0.415	0.282
$X_{2.2}$	0.533	0.727	0.527	0.650	0.397	0.260
$X_{2.3}$	0.505	0.759	0.512	0.414	0.431	0.548
$X_{2.4}$	0.545	0.870	0.657	0.586	0.448	0.414
$Y_{1.1}$	0.669	0.667	0.885	0.694	0.426	0.375
$Y_{1.2}$	0.674	0.556	0.843	0.586	0.585	0.578
$Y_{1.3}$	0.665	0.602	0.881	0.627	0.372	0.323
$Z_{1.1}$	0.444	0.511	0.483	0.818	0.422	0.248
$Z_{1.2}$	0.555	0.599	0.662	0.851	0.448	0.348
$Z_{1.3}$	0.509	0.577	0.636	0.770	0.429	0.279
$Z_{1.4}$	0.473	0.568	0.522	0.753	0.289	0.375
Z_{1xX_1}	0.461	0.541	0.528	0.502	1.000	0.851
Z_{1xX_2}	0.471	0.485	0.486	0.393	0.851	1.000

Source: Output Smart-PLS, 2026

Based on the cross-loading data presented in Table 3, this criterion has been met. This is evidenced by the fact that the relationship between each indicator and its relevant construct is stronger than its relationship with other constructs. Thus, it can be concluded that each latent construct demonstrates a superior ability to explain and predict its own indicators compared to the indicators of other constructs.

Table 4. *Average Variance Extracted (AVE)*

Variabel	AVE	Akar kuadrat AVE	Keterangan
Product Quality	0.711	0.843	Valid
Price	0.608	0.780	Valid
Customers Satisfaction	0.757	0.870	Valid
Customers Loyalty	0.639	0.799	Valid

Source: Output Smart-PLS, 2026

Table 5. *Correlations Of The Latent Variables dan Akar AVE*

Variabel	X1	X2	Y1	Z1
Product Quality	0.843			
Price	0.675	0.780		
Customers Satisfaction	0.769	0.701	0.870	
Customers Loyalty	0.625	0.710	0.732	0.799

Source: Output Smart-PLS, 2026

Construct validity was evaluated using the **Average Variance Extracted** (AVE); the measurement model is considered adequate if each construct has an AVE value greater than 0.50. Table 4 shows that all constructs in this study achieved AVE values exceeding the minimum threshold; thus, it can be concluded that construct validity has been satisfied overall.

Reliability Testing Using Composite Reliability

Table 6. *Composite reliability*

Variabel	<i>Cronbach's alpha</i>	<i>Composite reliability</i>	Information
Product Quality	0.898	0.925	Reliabel
Price	0.784	0.861	Reliabel
Customers Satisfaction	0.839	0.903	Reliabel
Customers Loyalty	0.812	0.876	Reliabel

Source : Output Smart-PLS, 2026

Table 6 presents the results, showing that all constructs have Cronbach's Alpha and Composite Reliability values exceeding the established threshold of 0.70. Thus, all constructs in this research model demonstrate a good and adequate level of reliability.

Multicollinearity Test

A construct is declared free from multicollinearity if the VIF value obtained is smaller than 5 Masanu & Sari (2023). The results of calculating the Composite Reliability value are displayed as follows:

Table 7. Inner VIF Value

Variabel Independen	Variabel Dependen	Nilai VIF	Information
Product Quality (X1)	Customers Satisfaction (Y1)	2.112	Multicollinearity is not present.
Price (X2)	Customers Satisfaction (Y1)	2.600	Multicollinearity is not present.
Customers Loyalty (Z)	Customers Satisfaction (Y1)	2.329	Multicollinearity is not present.

Sumber : Output Smart-PLS,2026

Based on the Smart-PLS output above, it can be concluded that the structural model does not suffer from multicollinearity issues, as all results show VIF values below 5.

Structural Model Testing (Inner Model)

R-Square Analysis

Table 8. Nilai R-Square

Variabel Endogen	R-Square	Adjusted R-Square
Customers Satisfaction (Y1)	0.712	0.693

Source: Output Smart-PLS,2026

The adjusted R-Square is subsequently used to calculate the Q-Square. In this analysis, the Q-Square holds a meaning consistent with the R-Square coefficient of determination; the model demonstrates that each endogenous variable possesses increasingly strong predictive relevance as the R-Square value rises. The Q-Square value is calculated as follows:

(Customer Satisfaction Y1), the Q-Square calculation is performed as follows:

$$Q^2 = 1 - (1 - R^2)$$

$$Q = 1 - (1 - 0.712)$$

$$Q = 1 - 0.288$$

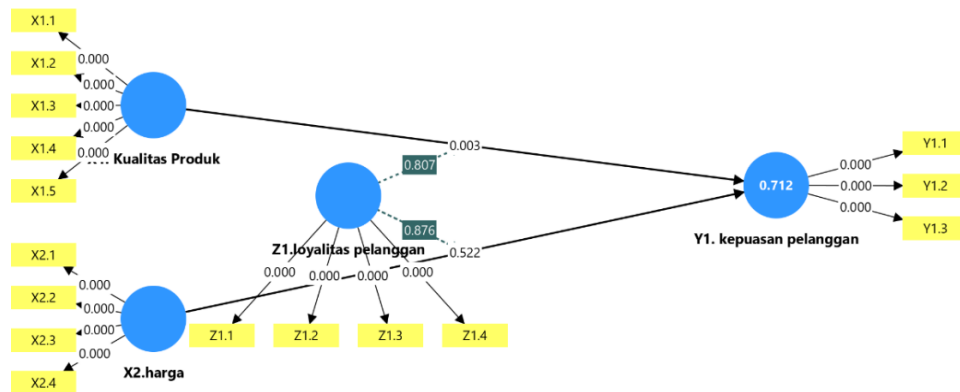
$$Q = 0.712$$

Based on the Q-Square calculation, a value of 0.712 was obtained, indicating that 71.2% of the research data's variance can be explained by the developed structural model. This Q-

Square value demonstrates that the structural model possesses very strong predictive relevance; therefore, the research model is suitable for predicting customer satisfaction within the Kebab Kota Raja culinary business.

Hypothesis Testing

The results of the structural model based on the bootstrapping analysis are presented below:



Source: Output Smart-PLS, 2026

Figure 3. Diagram from Bootstrapping

Table 9. Path Coefficients

	Original sample (O)	Sample mean (M)	T-Statistics	P-Value	Ket
(X1)→(Y1)	0.434	0.383	3.002	0.003	Signifikan
(X2)→(Y1)	0.123	0.191	0.641	0.522	Not signifinkan
(Z1)→(Y1)	0.326	0.321	2.507	0.012	Signifikan

Source: Output Smart-PLS, 2026

Based on the results in Table 9 (Path Coefficients), it can be observed that:

1. The research findings reveal that product quality (X1) has a significant influence on customer satisfaction (Y1). This is evidenced by an Original Sample value of 0.434, a T-Statistic of 3.002, and a P-Value of 0.003. Given that the T-Statistic (3.002) is greater than 1.96 and the P-Value (0.003) is less than 0.05, the first hypothesis of this study is **accepted**.
2. In contrast to the previous variable, the results indicate that price (X2) does not have a significant influence on customer satisfaction (Y1). The obtained Original Sample value is 0.123, with a T-Statistic of 0.641 and a P-Value of 0.522. Since the T-Statistic (0.641) is

less than 1.96 and the P-Value (0.522) is greater than 0.05, the second hypothesis of this study is **rejected**.

3. As an additional finding, the analysis shows that customer loyalty (Z1) directly influences customer satisfaction (Y1), with an Original Sample value of 0.326, a T-Statistic of 2.507, and a P-Value of 0.012. Because the T-Statistic (2.507) is greater than 1.96 and the P-Value (0.012) is less than 0.05, this additional finding is **accepted**.

Table 10. Indirect Effect

	Original sample (O)	Sample mean (M)	T- Statistics	P-Value	Ket
1)→(X1) →(Y1)	050	006	245	807	Not signifikansi
1)→(X2) →(Y1)	027	060	155	876	Not signifikansi

Source: Output Smart-PLS,2026

4. Based on the analysis conducted, it was found that Customer Loyalty (Z1) does not moderate the relationship between Product Quality (X1) and Customer Satisfaction (Y1). This is evidenced by an *Original Sample* value of 0.5, a T-Statistic value of 0.245, and a *P-Value* of 0.807. Since the T-Statistic value (0.245) is less than 1.96 and the *P-Value* (0.807) is greater than 0.5, the third hypothesis of this study is **rejected**.
5. Similarly, the analysis revealed that the Customer Loyalty variable (Z1) does not moderate the relationship between Price (X2) and Customer Satisfaction (Y1), with an *Original Sample* value of 0.027, a T-Statistic value of 0.155, and a *P-Value* of 0.876. Given that the T-Statistic value (0.155) is less than 1.96 and the *P-Value* (0.876) is greater than 0.5, the fourth hypothesis of this study is **rejected**.

To examine the role of Customer Loyalty as a moderating variable in the relationship of Product Quality and Price with Customer Satisfaction, this study employs the VAF (Variance Accounted For) approach. Referring to Hair et al. (2013)—as cited in Solihun and Ratmono (2013) and referenced by Pranoto Deri (2021)—if the VAF value exceeds 80%, the moderation is categorized as partial moderation. Conversely, if the VAF value is less than 20%, it can be concluded that the moderating variable does not contribute to mediating the relationship between the independent and dependent variables.

DISCUSSION

Improvements in the quality of the kebab product received by customers are directly proportional to increases in their perceived satisfaction. In this study, product quality emerged as the most dominant variable, evidenced by the highest path coefficient value of 0.434. This implies that for every one-unit increase in product quality, customer satisfaction increases by 0.434 units.

This indicates that the five product quality indicators—namely product performance (taste), reliability (consistency of flavor), durability (freshness and warmth), perceived quality precision (speed of service), and aesthetics (attractive packaging)—collectively make a significant contribution to customer satisfaction at Kebab Kota Raja. Among these five indicators, the indicator regarding the precision of service—specifically speed and accuracy—achieved the highest score. These findings suggest that Kebab Kota Raja customers derive high satisfaction when their orders are served quickly, accurately, and on time; consequently, service precision stands out as the key factor customers prioritize when evaluating overall product quality.

This hypothesis is accepted because customers in the culinary business generally place great importance on product quality as the primary basis for assessing satisfaction. In the context of Kebab Kota Raja, customers do not merely purchase the product to satisfy hunger; they also seek a satisfying consumption experience, particularly regarding taste, quality consistency, freshness, and product appearance. When the product received meets or even exceeds customer expectations, the resulting satisfaction increases. Therefore, product quality emerges as the most influential factor in shaping customer satisfaction in this study. These findings align with and are reinforced by several previous studies—including those by Hermawan (2022), Sukiman (2025), and Linda Ayu L. et al. (2025)—which demonstrate that product quality contributes to customer loyalty, with customer satisfaction acting as a mediating variable in that relationship. This study examined several price-related factors, including affordability, competitiveness, and the alignment of price with product quality and benefits. Among these four indicators, the alignment of price with product quality yielded the highest score. This indicates that consumers evaluate price based on its fairness relative to the quality received.

The findings indicate that price is not the primary determinant of customer satisfaction for the Kebab Kota Raja culinary business in Tenggara. Although price shows a positive relationship, its influence is minimal and statistically insignificant. This lack of significant influence may be attributed to the fact that the price remains within an affordable range that aligns with consumer purchasing power. When a price is perceived as reasonable, consumers tend not to use it as the basis for evaluating satisfaction.

Furthermore, customers tend to base their satisfaction on more dominant aspects, such as taste, consistent quality, and ease of service. This aligns with the respondent profile, as the majority fall within the 20–25 age range—a demographic that prioritizes the consumption experience over price considerations.

The hypothesis was rejected because customers generally do not view price as the primary factor in assessing satisfaction. As long as the price remains within the customer's purchasing power and commensurate with product quality, satisfaction is driven more by the consumption experience—specifically taste and service quality. In other words, customers focus more on the benefits received than on the monetary cost. These findings are supported by Hermawan (2022), who found that price did not significantly affect customer satisfaction at the Kabobs Premium Kebab branch in Pahlawan, Bogor; similarly, Sukiman (2025) found no significant impact of price on customer satisfaction at Mafia Kebab in Wonocolo, Surabaya.

The hypothesis regarding the impact of product quality on customer satisfaction was rejected because the effect occurs directly and consistently across all customers, independent of loyalty levels. Although it does not act as a moderator, customer loyalty was found to have a direct, positive, and significant influence on customer satisfaction. Therefore, in this study, customer loyalty is categorized as a quasi-moderator. Good product quality is capable of delivering satisfaction to both new and existing customers. Furthermore, the majority of respondents do not yet possess a sufficiently high level of loyalty to strengthen that relationship. These findings can be compared with the following study: Febriani & Cipta (2023), which demonstrates that product quality has a positive impact on customer loyalty.

However, in this study, loyalty did not function as a significant moderator. The hypothesis that customer loyalty strengthens the relationship between price and customer satisfaction was rejected; this is because price was not a dominant factor in shaping satisfaction from the outset, and consequently, customer loyalty could not alter that relationship. Customers prioritized taste quality, service, and the consumption experience over price. These findings differ from the study by Faujiah & Lesmana (2025), which found that price significantly influenced customer loyalty; however, differences in the research context account for the divergent results.

CONCLUSIONS

Customer satisfaction is the variable that requires primary attention from the management of Kebab Kota Rata, as it exerts an influence on customer satisfaction; this stands in contrast to the price variable, which does not show a significant influence. Customer loyalty has been shown not to strengthen the relationship between product quality and customer satisfaction. Customer loyalty was also not proven to moderate the relationship between price and customer satisfaction. Directly, customer loyalty has a positive and significant influence on customer satisfaction. These findings further confirm that customer loyalty in this study functions as a quasi-moderator—meaning that, in addition to being ineffective as a moderating variable, it also exerts a significant direct influence on the dependent variable.

Since product quality has been proven to significantly influence customer satisfaction, the management of Kebab Kota Raja is expected to consistently maintain and enhance product quality. This can be achieved by upholding standards regarding taste, hygiene, speed of service, and packaging aesthetics to ensure customers continue to experience optimal satisfaction. Although price did not show a significant impact on customer satisfaction, it is recommended that Kebab Kota Raja maintain reasonable and competitive pricing while ensuring alignment between the price and the benefits and quality received by customers. Given that customer loyalty has a direct impact on customer satisfaction, it is advisable to develop strategies that strengthen this loyalty; for instance, Kebab Kota Raja could design a structured loyalty program—such as a reward point system or special offers for regular customers—to foster long-term relationships between the brand and its clientele. Future researchers are encouraged to expand the scope of variables by including factors such as service quality, brand image, or promotions; to consider customer loyalty as a mediating variable; and to broaden the research scope by involving more outlets and brands within the kebab culinary sector, as well as

increasing the sample size to ensure the findings are more representative and broadly generalizable.

REFERENCES

- Ariyanto Aris et al. (2023). Manajemen Pemasaran. In U. Saripudin (Ed.), *Widina Bhakti Persada Bandung*.
- Febriani, F., & Cipta, W. (2023). Kualitas Produk dan Kualitas Pelayanan serta Harga Berpengaruh terhadap Loyalitas Pelanggan di Kedai Kebab Turkey, Telaga Mas, Karangasem. *Jurnal Manajemen Perhotelan Dan Pariwisata*, 6(1), 257–266. <https://doi.org/10.23887/jmpp.v6i1.36896>
- Halim Salamun1, Marcus Tukan1, A. T. (2023). *Aplikasi Metode Structural Equation Modeling (SEM) Dalam Menganalisis Variabel-Variabel yang Memengaruhi Loyalitas Pelanggan Produk Kebab Turki*. 1(2), 107–116.
- Hermawan, I. S. (2022). Pengaruh Kualitas Pelayanan, Kualitas Produk dan Harga Terhadap Keputusan Pelanggan di Kabobs Premium Kebab Cabang Pahlawan Bogor. *Economics Learning Experience & Social Thinking Education Journal*, 2(1).
- Permana, J. (2024). Analisis Pengaruh Kualitas Produk Dan Strategi Promosi Terhadap Kepuasan Pelanggan Pada Bisnis Kuliner Kebab Babah Antha Medan. *Jurnal Mitra Prima*, 6(1), 1–6. <https://doi.org/10.34012/mitraprima.v6i1.4929>
- Siti Rahmah, Nilam Anggar Sari, Heru Suprpto, A. A. (2024). Pengaruh Kualitas Pelayanan Terhadap Word Of Mouth Yang Dimediasi Oleh Kepercayaan Pelanggan. *Jurnal Ekonomi & Manajemen Indonesia*, 24(1), 184–198. <https://doi.org/10.53640/jemi.v24i1.1590>
- Sugiyono. (2017). *METODE PENELITIAN KUANTITATIF, KUALITATIF, DAN KOMBINASI (MIXED METHODS)* (Sutopo (ed.)). ALFABETA.
- Tombeng, B., Roring, F., & Rumokoy, F. S. (2019). Pengaruh Kualitas Pelayanan, Harga dan Kualitas Produk Terhadap Kepuasan Konsumen pada Rumah Makan Raja Oci Manado. *891 Jurnal EMBA*, 7(1), 891–900.
- Virgian Ar Rijqi, C., & Mulyono, J. (2023). Pengaruh Kualitas Produk, Harga, Cita Rasa, Citra Merek Dan Kualitas Pelayanan Terhadap Keputusan Pembelian Arabic Kebab Cikarang Bekasi. *Jurnal Mirai Management*, 8(2), 176–189.