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"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

**Mediated Customer Satisfaction : the Brand Image and Product Quality on Purchasing Decisions****Arif Putra Pratama<sup>1</sup>, Azra Sirait<sup>1</sup>, Rifky Fahriansyah<sup>1</sup>, Syafitra<sup>1</sup>, Muhammad Irfan Nasution<sup>1</sup>.**<sup>1</sup>Universitas Muhammadiyah Sumatera Utara  
Jl. Kapten Mukhtar Basri No. 3 Medan**\*Email:** [arif21092002@gmail.com](mailto:arif21092002@gmail.com)**ABSTRACT**

This research aims to determine the impact of the influence of brand image and product quality on purchasing decisions mediated customer satisfaction in bright star stores. Technic sampling by accidental sampling, obtained as many as 30 consumer samples in the bright star shop. The research data was analyzed using the Smart-PLS method. result shows that brand image and product quality positively and significantly influence purchasing decisions and customer satisfaction. This research contributes to the literacy of the influence of product quality, advertising, and brand image on purchasing decisions mediated by customer value. Many stores choose to use brand image and product quality to give consumers a satisfied impression of the purchases made. However, if it is just like that, it can most likely result in an incorrect decision. The findings of this study show that companies need to improve their brand image and product quality so that satisfaction slowly increases.

**Keywords:** Brand Image, Product Quality, Purchasing Decisions, and Customer Satisfaction.

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### INTRODUCTION

Along with the increasing population in Indonesia every year. The increase in population is due to the high birth rate, decreased mortality, as well as the existence of immigration and emigration. The total population of Indonesia on 2022 is projected to reach 275,361,267 people. According to gender, this number consists of 138,999,996 male residents or 54.48%, and 136,361,271 female residents or 49.52% Indonesia is currently enjoying a demographic bonus period where the number of people of productive age is more than the unproductive age, which is 190,827,224 people or 69.30%.

Population dynamics are often associated with the demand for housing and housing for the community. In addition to the need for housing, population growth has also encouraged housing development and flats projects. Housing or flats are an infrastructure or an alternative that can help the community to get a place to live. The main purpose of housing development or flats projects is to encourage the national economy to support the improvement of community welfare.

Property development carried out by the community also contributes to the growth of demand for building materials nationwide. Cement and paint are the main materials for the beginning and end of property construction. Cement is a substance used to glue bricks, bricks, and other building materials. Paint is a substance used to beautify or beautify the construction of property. Of the two materials have a very important role for a building, of these two materials there are many brand that circulate and provide quality different.

From the brands of these products, many consumers already know what products of these brands are due to the influence of the brand image given by each product. The importance of brand image to a product so that consumers can distinguish these products, because of the large number of similar products and this brand image that can distinguish these products. Brand Image is a term, name, sign, design, symbol, or combination of all such elements that are used to distinguish goods or services marketed by a company so that it can be distinguished from competitors (Hutabarat & Valentine Santosa, 2022). Whereas according to Fathurahman & Sihite, (2022) Citra the brand is a set of specific associations that marketers need to make or maintain. The brand can be seen as a symbol of product quality. The brand of a product has long been an image, even a status symbol for things that can enhance the image of its users.

Brand image as a differentiator for products from competitors and to provide more trust to consumers, good product quality is given to consumers in order to give a sense of satisfaction. Product quality is the physical condition, function and nature of a product, whether goods or services based on the expected level of quality such as durability, reliability, accuracy, ease of operation, product repair and other product attributes with the aim of meeting and satisfying consumer needs. According to Achmad et al., (2022) Quality is a set of characteristics and attributes of a product or service that affect its ability to meet implicit needs. Product quality is the ability of the product to perform its functions, and this includes overall durability, reliability, accuracy, ease of use, repairability of the product and other characteristics.

Product quality can influence consumers' decision to purchase building materials to build properties. The purchasing decision is influenced by the brand image and also the quality of the mixer. The purchase decision is made if the consumer is satisfied with the product he purchased. So, the importance of brand image and product quality to consumers in order to improve purchasing decisions about a product.

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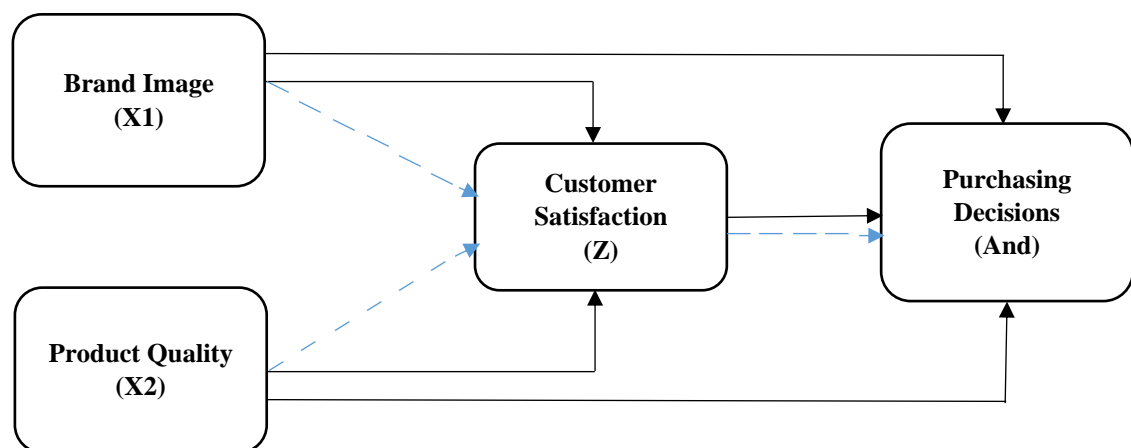
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The dissatisfaction that often occurs in cement and paint products is the strength of cement and paint against a build that does not match or meet customer expectations or wishes. For example, cement that is easy to crack and mold or paint that is easily calcareous and easily fades in a short time. Business people must be able to think of or have ways to deal with or prevent consumer dissatisfaction with products, and must improve the quality of products that are managed as well as possible to increase customer satisfaction and improve purchasing decisions about the product.

When making a purchase decision, the customer considers supporting factors before making a decision to purchase (Rivai & Author, 2021) a product or service, and shows how the customer behaves when using, searching, and using Spending on products and services that are expected to meet the needs drives the purchase decision.

Purchasing decisions are made because of satisfaction with consumers, and consumer satisfaction is also based on brand image and good product quality. The better the quality of the product and the brand image given to consumers, the more satisfied consumers will feel satisfied with the decision to buy the product. Consumer satisfaction is the main factor seen by the company, because the company already provides quality products.

Dissatisfaction occurs because the product does not match what is expected or desired by consumers. Therefore, companies must pay attention to what consumers need in order to provide satisfaction to consumers. Nature of business and management, customer satisfaction is an important idea. Satisfaction can be defined as a feeling of pleasure or disappointment after comparing product performance with expectations. Customers are disappointed or dissatisfied when the product performance is below their expectations, but happy or satisfied when the product performance is below their expectations the product works as expected. Customer satisfaction is often viewed as the result of comparing consumer expectations and experiences. (Fathurahman & Sihite, 2022). Consumer satisfaction must be paid more attention to by the company, because the increasing sense of satisfaction with consumers will continue to increase consumers' buying interest in the product.



**Figure 1 .** Conceptual Framework

The hypothesis that can be given in this study explains the relationship in conceptual framework in Figure 1: H1: the brand image variable has a direct and positive effect on the customer satisfaction variable at the Bright Star Store. H2: product quality variables have a direct and positive effect on the variable customer satisfaction of Bright Star Store. H3:

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brand image variables have a direct and positive effect on the variables of the Bright Star Store purchase decision. H4: product quality variables have a direct and positive effect on the variable purchasing decisions of Bright Star Store. H5: the variable of customer satisfaction has a direct and positive effect on the variable purchase decision of Bright Star Store. H6: brand image variable uses customer satisfaction variable as intervening variable, which has an indirect and positive impact on the purchasing decision variable of Bright Star Store. H7: product quality variables use customer satisfaction variables as intervening variables, which have an indirect and positive impact on the purchasing decision variables of Bright Star Store

### METHOD

The methods used in this study are descriptive and verifiable analysis methods. Research uses this method to describe facts related to the material under study and analyze the relationship between variables or how one variable mediates the other. A population is a collection of individuals with predetermined traits and characteristics. Based on those traits and traits, a population can be understood as a group of individuals or observables who have at least one trait in common. The population (Wantara & Tambrin, 2019) in this study were bright star store consumers who bought the product as well as an unknown number and arguably in the unlimited category. This study used a non-probability sampling technique in the form of accidental sampling because the number of populations was too large so that 30 samples were determined. Non-probability sampling, that is, a sampling technique that does not provide an equal opportunity to be selected into samples for all items or members of the population. Accidental sampling technique is a method of sampling based on spontaneity factors where researchers who happen to be encountered can be used as samples according to their characteristics. (Girsang NM et al., 2019) In this (Girsang NM et al., 2019) technique, each element of the population has a different chance of being selected as a sample. Data collection in this study using observation techniques and questionnaires was measured using a likert scale. The likert scale is used to measure the degree to which the subject agrees or disagrees with the statement, which has five options with the order: Strongly Agree (5); Agree (4); sufficient (3); Disagree (2); Strongly disagree (1). Hypothesis testing is carried out using the SEM (Structural Equation Model) Approach It is used not only to check the validity and reliability of the instrument, but also to examine the relationship between variables that are PLS (Partial Least Square) based sis hypote aimed at testing whether (Suhaily & Darmoyo, 2017) there is a relationship and influence between variables, PLS (Partial Least Square) Technique This method was used in research because it was associated with unusual data, small sample sizes, and formatively measured structures. There are two stages in this (Dam & Dam, 2021) Technique. Namely, the first stage tests the measurement model, and the second stage tests the structural model.

### RESULT AND DISCUSSION

From the results of the questionnaire that has been collected with the number of respondents as many as 31. The demographics of respondents consisted of 36.67 percent women and 63.33 percent men. Based on age, 56.67 percent were aged 15-25 years, 20.0 percent were 26-35 years old, 20.5 percent were 36-45 years old, and 3.33 percent were 46-55 years old.

In evaluating the quality of an outer model, it is necessary to conduct an internal consistency reliability test and validity test, both convergent and discriminant. An internal

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consistency reliability test is a form of reliability measure used to assess the extent to which different test items that investigate the same construct produce similar results. Cronbach Alpha (CA) is a component that can be used when conducting this internal reliability test. CA is a form of estimation based on the intercorrelation of each indicator of a latent variable. The Cronbach Alpha measures the lower limit of structural reliability. A configuration is considered reliable if the Cronbach alpha and composite value of the reliability is greater than 0.70. A Cronbach Alpha value higher than 0.7 is considered satisfactory. (Waluya et al., 2019) And according to (Lie et al., 2019) a system or variable it is said to be reliable if it produces Cronbach's alpha > 0.70. In addition to using CA analysis, it is also necessary to conduct a Composite Reliability (CR) analysis to measure and conduct reliability tests.

**Table 1.** Outer Loading (Measurement Model)

Variable	Indicator	Outer loading	Composite Reliability (CR)	Cronbach's Alpha (CA)	Average Variance Extracted (AVE)
Brand Image	BI1	<b>0.899</b>	<b>0.892</b>	<b>0.821</b>	<b>0.734</b>
	BI2	<b>0.826</b>			
	BI3	<b>0.845</b>			
Product Quality	PQ1	<b>0.834</b>	<b>0.899</b>	<b>0.859</b>	<b>0.640</b>
	PQ2	<b>0.782</b>			
	PQ3	<b>0.761</b>			
	PQ4	<b>0.763</b>			
	PQ6	<b>0.855</b>			
Customer Satisfaction	CS1	<b>0.815</b>	<b>0.892</b>	<b>0.818</b>	<b>0.733</b>
	CS2	<b>0.910</b>			
	CS5	<b>0.841</b>			
Purchasing Decisions	BD1	<b>0.879</b>	<b>0.918</b>	<b>0.882</b>	<b>0.739</b>
	BD2	<b>0.857</b>			
	BD3	<b>0.918</b>			
	BD4	<b>0.777</b>			

The next test is the validity of the discriminant. A construct with good discriminant validity if each loading factor value for each latent variable indicator has a very significant loading factor value with other loading factor values for other latent variables.

**Table 2.** Discriminant validity test results (Cross loading).

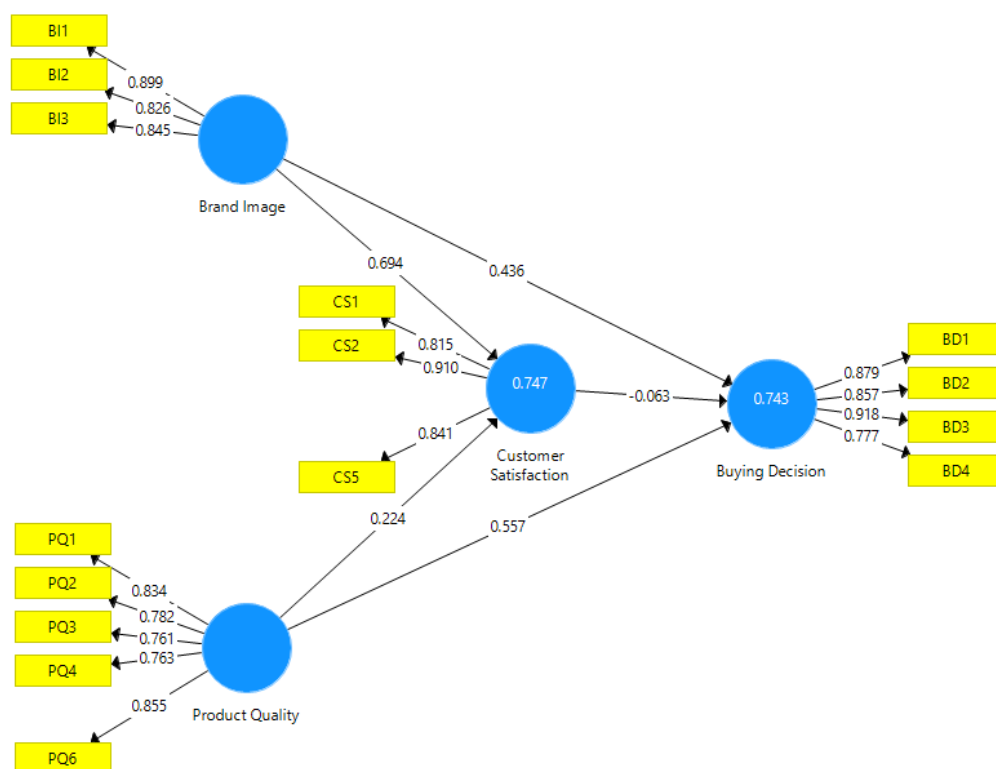
	Brand Image	Buying Decision	Customer Satisfaction	Product Quality
<b>BD1</b>	0.711	0.879	0.665	0.752
<b>BD2</b>	0.676	0.857	0.569	0.590
<b>BD3</b>	0.760	0.918	0.687	0.840
<b>BD4</b>	0.432	0.777	0.436	0.563
<b>BI1</b>	0.899	0.684	0.888	0.674
<b>BI2</b>	0.826	0.454	0.601	0.423
<b>BI3</b>	0.845	0.787	0.653	0.637
<b>CS1</b>	0.689	0.463	0.815	0.564
<b>CS2</b>	0.764	0.680	0.910	0.591
<b>CS5</b>	0.726	0.632	0.841	0.653
<b>PQ1</b>	0.529	0.747	0.585	0.834
<b>PQ2</b>	0.604	0.686	0.583	0.782
<b>PQ3</b>	0.388	0.541	0.479	0.761
<b>PQ4</b>	0.610	0.636	0.457	0.763

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To verify the hypothesis, inner model or structural model testing is used, namely by looking at the relationship between the variables of the R-Square value of the research model. By using Smart-PLS the model scoring begins by looking at the R-Square for each dependent latent variable. The results of the values on the R-square can be used to assess the influence of certain exogenous latent variables on endogenous latent variables that have substantive influences. The model of the causal relationship between the Quality of Service Facility Design and the Utilization of Digital Technology with the mediation of Service quality on Passenger satisfaction that has been generated from the PLS model can be seen in Figure 2 below:



**Figure 2:** Relationship Model between Research Results Variables

**Table 3.** Path Coefficient

	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistik ( O/STDEV )	P Values	Noted
<b>Brand Image -&gt; Buying Decision</b>	0.392	0.375	0.155	2.526	<b>0.012</b>	<b>Accepted</b>
<b>Brand Image -&gt; Customer Satisfaction</b>	0.694	0.699	0.113	6.138	<b>0.000</b>	<b>Accepted</b>
<b>Customer Satisfaction -&gt; Buying Decision</b>	-0.063	-0.073	0.197	0.321	<b>0.748</b>	<b>Rejected</b>

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	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistik ( O/STDEV )	P Values	Noted
<b>Product Quality -&gt; Buying Decision</b>	0.542	0.567	0.167	3.245	<b>0.001</b>	<b>Accepted</b>
<b>Product Quality -&gt; Customer Satisfaction</b>	0.224	0.216	0.133	1.687	<b>0.092</b>	<b>Rejected</b>

The explanation from table 1 to table 3 is as follows: Brand Image of the Buying Decision, based on the path analysis table, it appears that the path coefficient value is 2.526 with t-statistics >1.96 . Since the significant value < 0.05, the H1 hypothesis is accepted. Based on the influence of Brand Image on Customer Satisfaction, it was found that the path analysis table showed a coefficient value of 6.138 with a t-statistic of <1.96. Since the significant value is 0.05, the H2 hypothesis is accepted. Based on the effect of Customer Satisfaction on Buying Decisions, it was found that the path analysis table showed a coefficient value of 0.748 with a t-statistic of <1.96. Because of the significant value of 0.05, the hypothesis H3 is rejected. Based on the effect of Product Quality on Buying Decisions, it was found that the path analysis table showed a coefficient value of 3.245 with a t-statistic of <1.96. Since the significant value is 0.05, the hypothesis H4 is accepted. Based on the effect of Product Quality on Customer Satisfaction, it was found that the path analysis table showed a coefficient value of 1.687 with a t-statistic of <1.96. Because of the significant value of 0.05, the hypothesis H4 is rejected.

**DISCUSSION**

**Explanation of Discussion 1**

This study shows a complete mediation study on the influence of brand image and product quality on purchasing decisions mediated customer satisfaction on bright star stores. The results of this study show that of the five hypotheses, three are supported and two are not supported, namely the influence of Customer Satisfaction with Buying Decisions and product quality for Customer Satisfaction. The results of this study also revealed a significant influence of Brand Image on Customer Satisfaction, where the better the brand image, the higher customer satisfaction. customer satisfaction and dissatisfaction is related to the unconfirmed expectations of consumers, Satisfaction is defined as the level of emotional response to the service experience (Darmawan et al., 2017) .

**Explanation of Discussion 2**

According to Abbas et al., (2021) Brand image is a combination of consumer perception and confidence about the brand. A brand image is the overall impression of a brand in people's minds. (Jemma et al., 2018) There is a significant influence on the brand image of the purchasing decision, where the better the brand image, the higher the purchase decision. According to Sitorus, (2020) the purchase decision is an evaluation stage where consumers form product preferences related to a series of decisions.

Other results from this study also reveal a significant influence of product quality on purchasing decisions, where the more quality a product is, the purchasing decision will increase. According to Yusuf et al., (2019) Product quality plays an important role in shaping customer satisfaction. The higher the quality of the products and services you provide, the

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more satisfied your customers will be and the more profitable your manufacturer will be. Basically, consumers will see the quality of a product first before deciding to buy the product.

**IMPLICATIONS**

Currently, many stores choose to use brand image and product quality to give consumers a satisfied impression of the purchases made. However, if it is just like that, it can most likely result in an incorrect decision because it must be accompanied by other indicators as a support for the strategy compete. The findings of this study show that companies need to improve their brand image and product quality so that satisfaction slowly increases

**CONCLUSION**

From the results of this study, the author concludes that brand image and product quality are the most important factors to obtain a high level of consumers / buyers which will have an impact on the level of fame of the store itself. It is understood that a company must set service standards which are as an enhancing facility. It should be noted that consumers have critical thinking about a product/service to be used. Utilizing the brand image of a product and the quality of a product will give birth to its own competitiveness, against competitors.

Although the topic of discussion is quite interesting, this research still has shortcomings that will later be used as a basis for improvement in future research. The existence of limitations involves the lack of maximum results from this study. For this reason, it is hoped that the next researcher / author will re-develop the topics that have been introduced and explain more sharply the problems that exist in this study. Another limitation in this study is that researchers do not conduct interviews with respondents directly, so they do not clearly know the intention and purpose of respondents in responding to the questions given.

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