Analysis of the Influences of Service Quality, Product Quality, and Price Perception Toward the Satisfaction of Micro, Small and Medium Enterprises Customers in Manado City (Study on GG IE LOEN BY DEFOMA Restaurant)

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ABSTRACT

The aim of this research is to determine the influence of service quality, product quality, and price perception on customer satisfaction at GG Ie Loen by Defoma Restaurant, simultaneously or partially. Data collection in this research used questionnaires and documentation with a total of 80 respondents who were customers of the GG Ie Loen by Defoma Restaurant. The results of this research show that there is a significant influence of service quality, product quality, and price perception on customer satisfaction, both simultaneously and partially. Based on the research results, although it has an influence, service quality is the weakest factor in influencing customer satisfaction compared to product quality and price perception. This shows that the quality of service provided by the restaurant still needs to be improved. Apart from that, GG Ie Loen by Defoma must continue to pay attention to the quality of food and drink raw materials so that they remain fresh so that they can provide good quality food and drink to customers. GG Ie Loen is also advised to maintain the prices of their food and drinks so that they remain affordable for customers.

KEYWORDS: customer satisfaction, service quality, product quality, price perception

INTRODUCTION

Background

The economy in Indonesia cannot be separated from the Micro, Small and Medium Enterprises (MSME) sector which is the foundation for improving the economy in the country. The rapid growth of creative industries belonging to this sector every year gives rise to competitive business competition. The COVID-19 pandemic has become an international problem, including in Indonesia. Almost all MSME

actors (especially micro business actors) have been affected by the COVID-19 pandemic. During the COVID-19 endemic (post-COVID-19), MSMEs began to slowly recover. MSME players are starting to adapt to market developments which has a significant influence on their income.

Reporting from manadotoday.co.id, it cannot be denied that Micro, Small and Medium Enterprises(MSMEs)is the driving force of the national economy including its contribution in absorbing labor. Therefore, it is important for local governments to continue to encourage the empowerment and development of MSMEs so that they can continue to grow and develop. In Manado City itself, according to the Head of the Cooperatives and SMEs Service, Soni Sondakh, the number of assisted MSMEs continues to increase from year to year. "In 2019 there were 19,000, in 2020 the number increased to 21,000 and in 2021 we updated the data base for MSMEs, now the position is at 23,375 micro business actors which are divided into a number of different business activities such as culinary, creative, online business and others,".

GG Ie Loen restaurant by Defoma Manado is one of the MSMEs operating in the culinary sector which is located in the Megamas Manado area which is a famous culinary center in Manado City. This is because the Manado City government has made a lot of effort to help the development of MSMEs, through various kinds of development or coaching programs. The efforts that have been carried out by the government are carried out through formal (official) institutional channels, namely through departments or agencies, as well as through non-formal channels, namely through non-governmental organizations (NGOs) and other social institutions. Customer satisfaction is a strong factor in influencing customer loyalty so that they intend to visit again and make purchases.

One of the keys to success in selling products or the progress of a business is customers who feel satisfied and have confidence in the products you offer or in the business that the company or individual owns. Customers who are satisfied with a business or business and are satisfied with the services provided tend to buy the products offered by that business or enterprise. Several factors can influence consumer satisfaction, including service quality, product quality, and price perceptions (Saleha and Prabantoro, 2020).

Research purposes

1. To find out and analyze the simultaneous influence of service quality, product quality, and price perception on customer satisfaction at the GG le Leon by Defoma Manado Restaurant.

2. To find out and analyze the partial influence of service quality on customer satisfaction at the GG le Leon by Defoma Manado Restaurant.

3. To find out and analyze the partial influence of product quality on customer satisfaction at the GG le Leon by Defoma Manado Restaurant.

4. To find out and partially analyze the influence of price perception on customer satisfaction at the GG le Leon by Defoma Manado Restaurant.

LITERATURE REVIEW
Marketing

According to Laksana (2019) marketing is the meeting of sellers and buyers to carry out transaction activities for goods or services. So the meaning of market no longer refers to a place but rather to the activity or gathering of sellers and buyers in offering a product to consumers.

Customer satisfaction

According to Kotler et al (2021), customer satisfaction is a person's feeling of happiness or disappointment that arises after comparing the performance (results) of the product in question against the expected performance. Consumers will feel satisfied if the consumer's desires have been fulfilled by the company as expected. With the added value of a product, customers become more satisfied and the possibility of being a customer of that product for a long time will be very large.

Service quality

Service quality is an attribution that is seen naturally by remembering the customer's experience of the service felt through the service provided previously (Sokchan, 2018).

Product quality

Product quality can be concluded from the explanation above, namely all goods and services related to consumer desires which in terms of product excellence have met the requirements to be sold according to consumer expectations. Product quality is an important thing that every company must strive for if it wants its products to be competitive in the market.

Price Perception

Price according to Kotler and Armstrong (2008) is the amount of money charged for a product or service. More broadly, price is the sum of all values provided by customers to gain profits and own or use a product or service.

Previous Research

Silvia and Arifiansyah (2023)conducted research with the title "The Influence of Product Quality, Price Perception and Service Quality on Customer Satisfaction at Cillo Coffee". This research aims to find out whether the variables of product quality, price perception, and service quality are related to the level of customer satisfaction at Cillo Coffee. In data collection, the Accidental Sampling technique was used with 100 respondents. The research results show that product quality (X1), price perception (X2), and service quality (X3) play a positive and significant role in increasing customer satisfaction (Y).

Risky and Bustami (2023)conducted research with the title "The Influence of Location and Service Quality on Consumer Satisfaction at the Coffeebox Manna Coffeeshop". The purpose of this research is to determine the effect of location on customer satisfaction at The Coffeebox Manna. To determine the effect of service quality on customer satisfaction at The Coffeebox Manna. To determine the effect of location and service quality on customer satisfaction at The Coffeebox Manna. Data analysis techniques use descriptive analysis, multiple linear regression analysis, coefficient of determination (R2) and hypothesis testing. There is an influence of location (X1) on consumer satisfaction (Y) of The Coffeebox Manna. There is an influence of service quality (X2) on customer satisfaction (Y) at The Coffeebox Manna. There is a simultaneous influence of location and service quality on purchasing decisions for The Coffeebox Manna.

Octavian and Soliha(2020) conducted research with the title "The Influence of Product Quality, Price Perception and Location on Customer Satisfaction (Study at the Dewan Kopi Pati Cafe)". This research aims to analyze the influence of product quality, price perception and location on customer satisfaction at Café Dewan Kopi Pati. The research results prove that product quality has a positive and significant effect on

customer satisfaction, price perception has a positive and significant effect on customer satisfaction, location has a positive and significant effect on customer satisfaction.

Research Model

Source:Literature Reviews, 2023
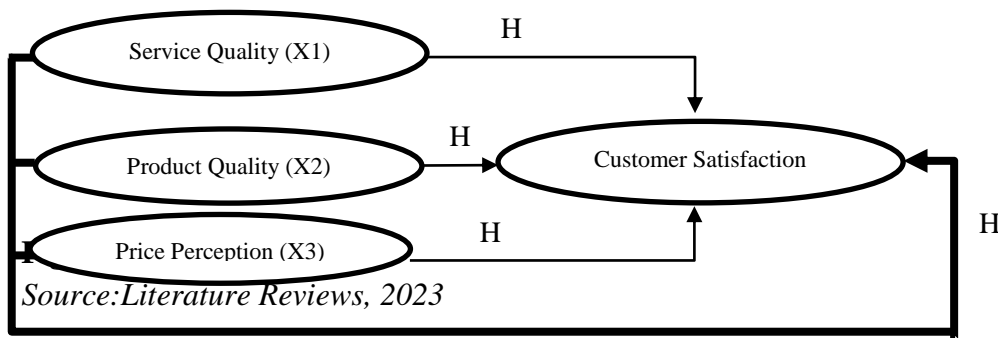
Hypothesis

Based on the research model image above, the proposed research hypothesis is as follows:

H1: AllegedlyService quality, product quality and price perception have a significant effect on customer satisfaction at GG Ie Loen by Defoma Manado simultaneously.

H2: AllegedlyService quality has a significant partial effect on customer satisfaction of GG Ie Loen by Defoma Manado.

H3: AllegedlyProduct quality has a significant partial effect on customer satisfaction of GG Ie Loen by Defoma Manado.

RESEARCH METHODS
Location and Place of Research

The location of the research was GG Ie Loen by Defoma, CityManado, North Sulawesi Province, Indonesiaby distributing questionnaires to customers.

Method of collecting data

This research uses two data collection techniques, namely:

1. **Questionnaire / Questionnaire**. Sugiyono (2012), a questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents.

2. **Literature review**. Literature study is a method of collecting data and information by carrying out library activities through books, journals, previous research and so on related to the research being carried out.

Research Population and Sample

The population in this research are all consumers who have visited GG Ie Loen by Defoma Manado and have made purchases. The total population in this study is the number of GG Ie Loen by Defoma Manado customers for one week, namely 392 customers (obtained from the average number of visitors to GG Ie Loen by Defoma Manado for one week).

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This research uses the Slovin formula. Determining the number of samples in this study used the Slovin formula with an error rate of 5%, so that the reasonableness level for errors in sampling can still be tolerated in this study. The number of samples determined using the Slovin formula was 80 respondents.

Data Analysis Techniques

Validity test

The validity test is the degree of accuracy between the data that actually occurs on the research object and the data that can be reported by the researcher. A minimum correlation value of 0.30 and a probability of less than or equal to 0.05 is the basis for testing the validity of the questionnaire.

Reliability Test

Reliability testing is actually a tool for measuring a questionnaire which is an indicator of a variable or construct. The tool for measuring reliability is Cronbach's Alpha which is based on the reliability coefficient value which is good if the Cronbach's Alpha value is 0.60 or greater.

Classical Assumption Testing

In using the multiple linear regression analysis model, in order to produce the Best Linear Unbiased Estimator (BLUE), an econometric evaluation must be carried out. This evaluation is intended to find out whether the use of the multiple linear regression model as an analytical tool meets several assumptions. The classical assumption tests used in this research are the multicollinearity test, heteroscedasticity test and normality test.

Hypothesis testing

This research has two hypothesis testing models, namely hypothesis testing with the F test (simultaneous) and the T test (partial). In this research, the F test is used to determine the significant level of influence of the independent variables together (simultaneously) on the dependent variable. Meanwhile, the t test is used to determine the significance of the influence of the independent variables separately or partially on the dependent variable.

RESEARCH RESULTS AND DISCUSSION

Research result

Reliability Test

Table 1. Reliability Test Results

Variable	Cronbach's Alpha	Information
Service Quality (X1)	0.798	Reliable
Product Quality (X2)	0.632	Reliable
Price Perception (X3)	0.705	Reliable
Customer Satisfaction (Y)	0.763	Reliable

Source: Processed Data (2023)

Table 1 shows that the variables service quality (X1), product quality (X2), price perception (X3) and customer satisfaction (Y) have an Alpha coefficient above 0.6 so it can be said that all measuring concepts for each variable from the questionnaire are reliable so that in the future can be used as a measuring tool.

Table 2. Validity Test

Variable	Items	Rcount	Table	Information
Service quality (X1)	X1.1	0.816	0.221	Valid
	X1.2	0.905	0.221	Valid
	X1.3	0.810	0.221	Valid
Product quality (X2)	X2.1	0.770	0.221	Valid
	X2.2	0.670	0.221	Valid
	X2.3	0.861	0.221	Valid
Price Perception (X3)	X3.1	0.809	0.221	Valid
	X3.2	0.790	0.221	Valid
	X3.3	0.833	0.221	Valid
Customer satisfaction (Y)	Y1	0.863	0.221	Valid
	Y2	0.746	0.221	Valid
	Y3	0.893	0.221	Valid

Source: Processed Data (2023)

Table2 shows that all statement items for each variable are valid because they are above the R table value (0.221) so that the instrument items can be used to measure research variables.

**Classic Assumption Test Results**
Multicollinearity Test
Table 3. Multicollinearity Test Results

Independent Variable	VIF	Information
Service Quality (X1)	1,016	Non-Multicollinearity
Product Quality (X2)	1,036	Non-Multicollinearity
Customer Satisfaction (Y)	1,025	Non-Multicollinearity

Source: Processed Data (2023)

Test all the variables 10. This means used in the symptoms of the independent independent

Scatterplot
Dependent Variable: Kepuasan Pelanggan
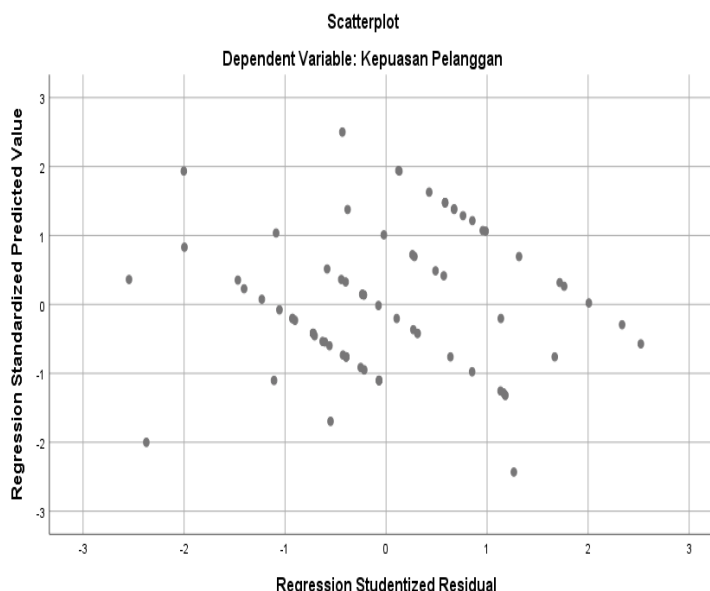
results on Table 3 shows that used show VIF values below that the independent variables research do not show any multicollinearity, which means variables can be used as variables.

Heteroscedasticity Test

Figure 2. Heteroscedasticity test

Source: Processed Data (2023)

Figure 2 shows the scatterplot graph displayed for the heteroscedasticity test showing points that are spread randomly and do not form a particular pattern. This identifies the absence of heteroscedasticity in the regression model, so that the regression model is suitable for use to predict the dependent variable customer satisfaction (Y) based on the independent variables service quality (X1), product quality (X2), and price perception (X3).

Normality test

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Kepuasan Pelanggan
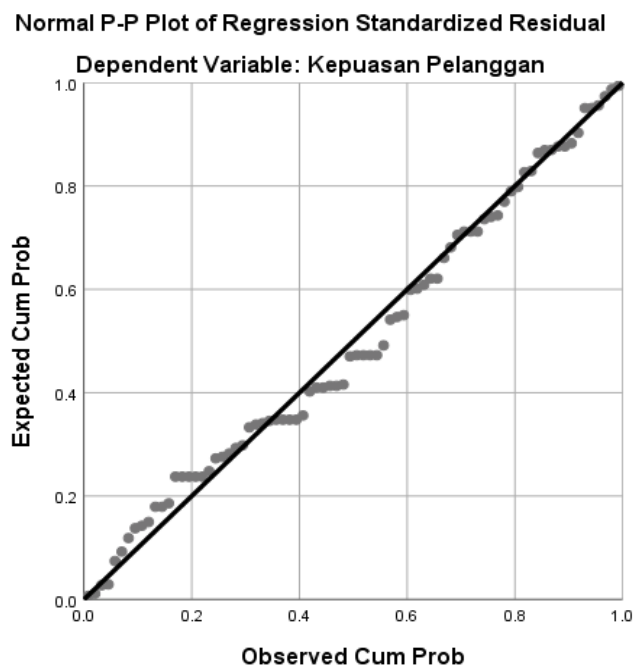
Figure 3. Normality Test Results

Source: Processed Data (2023)

Figure 3 shows that the data spreads around the diagonal lines and follows the direction of the diagonal line or the histogram graph shows a normal distribution, so the regression model used in this research meets the normality assumption.

Results of Multiple Linear Regression Analysis

Table 4. Results of Multiple Linear Analysis

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	.104	,535		,194	,847		
	Service quality	,175	,079	,184	2,208	,030	,984	1,016
	Product quality	,515	,085	,512	6,098	,000	,965	1,036
	Price Perception	,316	,081	,326	3,896	,000	,976	1,025

Source: Processed Data (2023)

Based on Table 3, the following multiple linear regression equation is obtained:

$$Y = 0.104 + 0.175 X1 + 0.515 X2 + 0.316 X3 + e$$

From the multiple linear regression equation above, it can be concluded that:

1. A constant value of 0.104 indicates that the independent variable value is considered 0, so customer satisfaction (Y) is 0.104 units.

2. The regression coefficient value X1 is 0.175, indicating that there is a positive influence of service quality (X1) on customer satisfaction (Y). If the service quality variable score (X1) increases by one unit, customer satisfaction (Y) will increase by 0.175 units assuming other variables are constant.

3. The regression coefficient value X2 is 0.515, indicating that there is a positive influence of product quality (X2) on customer satisfaction (Y). If the product quality variable score (X2) increases by one unit, customer satisfaction (Y) will increase by 0.515 units assuming other variables are constant. On the other hand, if the product quality variable score (X2) decreases by one unit, customer satisfaction (Y) will decrease by 0.515 units assuming other variables are constant.

4. The regression coefficient value X3 is 0.316, indicating that there is a positive influence of price perception (X3) on customer satisfaction (Y). If the price perception variable score (X3) increases by one unit, customer satisfaction (Y) will increase by 0.316 units assuming other variables are constant. On the other hand, if the price perception variable score (X3) decreases by one unit, customer satisfaction (Y) will decrease by 0.316 units assuming other variables are constant.

Correlation Coefficient (R) and Determination Coefficient (R2)

Table 4. Coefficient of Determination

Model Summary b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694a	,482	,461	.32613

Source: Processed Data (2023)

The results of the correlation coefficient (R) of 0.694 (69.4%) show that the relationship between service quality (X1), product quality (X2), and price perception (X3) on customer satisfaction (Y), has a fairly strong relationship. The adjusted coefficient of determination (R2) is 0.461 or 46.1%, which shows that the contribution of the independent variable to the independent variable is 46.1% and the remaining 53.9% is other variables not examined in this research.

Hypothesis Test Results
F Test Results
Table 5. F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7,515	3	2,505	23,552	,000b
	Residual	8,084	76	.106		
	Total	15,599	79			

Source: Processed Data (2023)

Table 5 shows that the Fcount value of 23,552 is greater than the Ftable value of 3,115, so it can be concluded that service quality (X1), product quality (X2), and price perception (X3) simultaneously influence customer satisfaction at GG Ie Loen by Defoma Manado.

t Test Results
Table 6. t test results

Variable	Tcount	Table	Significant	Information
Service Quality (X1)	2,208	1,991	0.030	Significant
Product Quality (X2)	6,098	1,991	0,000	Significant
Price Perception (X3)	3,896	1,991	0,000	Significant

Source: Processed Data (2023)

Based on Table 6 regarding partial test results (t test), it can be concluded that:

1. These results show that the service quality variable (X1) has a positive and significant effect on customer satisfaction (Y) GG Ie Loen by Defoma.

2. These results show that the product satisfaction variable (X2) has a positive and significant effect on customer satisfaction (Y) GG Ie Loen by Defoma.

3. These results show that the price perception variable (X3) has a positive and significant effect on customer satisfaction (Y) GG Ie Loen by Defoma.

DISCUSSION

The Influence of Service Quality, Product Quality, and Price Perception on Customer Satisfaction

Previous research by Silvia and Arifiansyah (2023) explains that there is an influence of service quality, product quality, and price perception on customer satisfaction at Cillo Coffee. Researchers suggest that Cillo Coffee management can increase customer satisfaction by paying attention to these problems and fixing them. Likewise, it is necessary to carry out further research regarding other aspects that increase customer satisfaction which are not included in this research, of course by considering the research factors expected in the field of marketing to obtain better results at the level of perfection.

This research supports previous research by Silvia and Arifiansyah (2023), by showing that there is an influence of service quality, product quality, and price perception on customer satisfaction of GG Ie Loen by Defoma. The test results show that there is an influence of service quality, product quality, and price perception simultaneously or together on customer satisfaction at GG Ie Loen by Defoma. Customer satisfaction can be seen from respondents' responses based on the questionnaires that have been distributed. The majority of respondents answered agreeing with the statements in the questionnaire. The statements contained in the questionnaire regarding customer satisfaction are in accordance with what is expected by GG Ie Loen by Defoma customers. GG Ie Loen by Defoma in its efforts to maintain or increase customer satisfaction needs to pay attention to the factors of service quality, product quality and price perception which in this research have been proven to have a positive and significant effect on customer satisfaction.

The Influence of Service Quality on Customer Satisfaction

Previous research by Risky and Bustomi (2023) explained that there is an influence of service quality on customer satisfaction at The Coffeebox Manna. The researcher explains that it is very important for The Coffeebox Manna to consider aspects of customer satisfaction related to the quality of service provided. The types of services that can be provided include, for example, convenience, speed, capability and friendliness demonstrated through direct attitudes and actions towards consumers.

This research supports previous research by Risky and Bustomi (2023), by showing the influence of service quality on customer satisfaction of GG Ie Loen by Defoma. Service quality in this research can be interpreted as the service provided by GG Ie Loen by Defoma to customers. According to customers, GG Ie Loen by Defoma waiters are very responsive in serving customers both in ordering food and drinks and in handling customer complaints. In terms of reliability, GG Ie Loen by Defoma waiters are willing and able to explain the menus asked by customers well. On the other hand, according to customers, the tables, chairs and cutlery provided by GG Ie Loen by Defoma are still in good condition and clean. Based on the research results, even though it has a significant and positive influence on GG Ie Loen by Defoma customer satisfaction, service quality is the weakest factor in influencing customer satisfaction compared to product quality and price perception. This shows that the quality of service provided by the restaurant still needs to be improved, both in terms of responsiveness and reliability of employees and the equipment provided at GG Ie Loen by Defoma.

The Influence of Product Quality on Customer Satisfaction

Previous research by Produk Oktavian and Soliha (2020), shows that product quality partially has a positive and significant influence between product quality variables on customer satisfaction at Dewan Kopi Pati, which means that the better the product quality, the greater the customer satisfaction. Researchers suggest that the Dewan Kopi Pati Cafe must maintain product quality, especially in terms of the level of maturity and consistency of taste. It is hoped that customers will feel satisfied and will return to the Dewan Kopi Pati Cafe.

This research supports previous research by Oktavian and Soliha (2020), by showing the influence of product quality on customer satisfaction of GG Ie Loen by Defoma. Product quality in this research can be interpreted as the entire product (food and drink) which is related to consumer desires which in terms of product excellence has met the requirements to be sold according to consumer expectations. GG Ie Loen by Defoma Manado which in this research is the quality of food and drink or food quality. According to customers, the food and drinks offered at GG Ie Loen by Defoma are prepared from fresh ingredients. Apart from that, the food and drinks offered are presented with an attractive appearance and taste delicious. Based on the research results, high quality products can help the GG Ie Loen by Defoma restaurant create customer satisfaction so that it will retain customers which will influence customer satisfaction. GG Ie Loen by Defoma must maintain their food quality considering that product quality is the strongest factor influencing customer satisfaction. The taste of the food and drinks offered must be maintained by remaining consistent regarding the spices or food and drink recipes. Apart from that, GG Ie Loen by Defoma must continue to pay attention to the quality of raw materials for food and drinks so that they remain fresh by choosing good raw material suppliers and always ensuring that the raw materials used are still suitable for use so that they can provide good quality food and drinks for consumers. customer.

CONCLUSIONS AND RECOMMENDATIONS
Conclusion

From the research results described previously, it can be concluded as follows:

1. Service quality, product quality and price perception have a significant influence on GG Ie Loen by Defoma customer satisfaction simultaneously.

2. Service quality has a significant influence on partial customer satisfaction of GG Ie Loen by Defoma.

3. Product quality has a significant influence on partial customer satisfaction of GG Ie Loen by Defoma.

4. Price perception has a significant influence on partial customer satisfaction of GG Ie Loen by Defoma.

Suggestion

1. Based on the research results, even though it has a significant and positive influence on GG Ie Loen by Defoma customer satisfaction, service quality is the weakest factor in influencing customer satisfaction compared to product quality and price perception. This shows that the quality of service provided by the restaurant still needs to be improved, both in terms of responsiveness and reliability of employees and the equipment provided at GG Ie Loen by Defoma.

2. Based on the research results, high quality products can help the GG Ie Loen by Defoma restaurant create customer satisfaction so that it will retain customers which will influence customer satisfaction. GG Ie Loen by Defoma must maintain their food quality considering that product quality is the strongest factor influencing customer satisfaction. The taste of the food and drinks offered must be maintained by remaining consistent regarding the spices or food and drink recipes. Apart from that, GG Ie Loen by Defoma must continue to pay attention to the quality of raw materials for food and drinks so that they remain fresh by choosing good raw material suppliers and always ensuring that the raw materials used are still suitable for use so that they can provide good quality food and drinks for consumers. customer.

3. Based on the research results, it is recommended for GG Ie Loen to maintain the prices of their food and drinks so that they remain affordable for customers. Because prices match the benefits customers get, affordable or cheap prices, price competitiveness with other restaurants, can influence customer satisfaction.

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